DOCUMENT RESUME

ED 078 757 HE 004 321

TITLE	1972 Statewide Master Plan for Private Colleges and Universities of the State of New York.
INSTITUTION	Commission on Independent Colleges and Universities of the State of New York, New York.
PUB DATE	Jun 72
NOTE	108p.
EDRS PRICE	MF-$0.65 HC-$6.58
DESCRIPTORS	Educational Facilities; Educational Finance; Educational Objectives; *Educational Planning; Enrollment; *Higher Education; *Master Plans; *Private Colleges; *Statewide Planning
IDENTIFIERS	*New York

ABSTRACT

The 1972 statewide master plan for private colleges and universities of the State of New York is presented. Chapters cover the climate of uncertainty, a response to the shifting enrollment, goals, policies, and modes of instruction; the characteristics of the private sector; the financial crises; a plan of action-objectives, long-term plan, proposed scholar incentive award, the private sector, and the decade ahead. Appendices cover fulltime equivalent students and faculty in independent colleges and universities, facilities, financial performance, availability of unrestricted funds in 1971, projected income, student financial aid, debt and debt service, new program offerings, and excerpts from Regents position paper No. 13. (MJM)

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1972 Statewide Master Plan for Private Colleges and Universities of the State of New York

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Commission on Independent Colleges and Universities
State of New York

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1972 Statewide Master Plan for Private Colleges and Universities of the State of New York

Commission on Independent Colleges and Universities
State of New York
2 Washington Square Village, 1B
New York, New York 10012

June, 1972

Commission on Independent Colleges and Universities
STATE OF NEW YORK
2 Washington Square Village, B-1, New York, New York 10012
(212) 475-6340

The Honorable Joseph W. McGovern
Chancellor
Board of Regents
State of New York

Dear Chancellor McGovern:

The Commission on Independent Colleges and Universities is pleased to submit herewith the 1972 Statewide Master Plan for the private colleges and universities in New York.

In undertaking this mammoth task the Commission has enjoyed maximum cooperation from the Regents and officers of the State Education Department. We are grateful for this assistance. We look forward to the same close working relationships in the future as we attend to the urgent tasks which are indicated in our report.

With appreciation and best wishes,

Sincerely yours,

John W. Chandler

John W. Chandler
Chairman

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FOREWORD

The picture which emerges in this document indicates that New York faces one of the most critical public policy issues in its history. We are already feeling the early tremors of a seismic shift in the basic structure and balance in the organization of higher education in New York. There is nothing inevitable about such a shift; it could be relatively easily prevented and it would be a monumental tragedy to permit it to occur. Nevertheless, present trends if they are not altered by revised public policy and programs, will lead to the weakening or closing of many private institutions or their integration into the public systems, a radical reduction in the flow of private dollars (alumni gifts, foundation grants, tuition payments) into these institutions, and a staggering increase in the taxpayer's burden. With modest and imaginative forms of public assistance, the tragedy outlined above can be prevented, and the private colleges and universities can be enabled to continue and expand their indispensable contributions to the needs of New York and the larger national society.

These institutions provide the same fundamental educational services as their public counterparts. They serve essentially the same student population in terms of socio-economic and ethnic backgrounds and their unit costs in comparable areas are in the same ranges as those of the public institutions.

The future of private higher education - and, indeed, of all higher education - in New York depends on how the State answers the questions: Who should pay for higher education? How much of the total costs should the student and his parents pay? How much of the cost should the taxpayer bear? What constitutes equitable treatment in the provision of State subsidies to students in both public and private institutions? What is reasonable and fair by way of means tests for such subsidies, whether in the form of scholarship grants or tuition remission or reduction? An adequate public policy for the development of higher education in New York will provide clear and consistent answers to these questions. At present, there is neither clarity nor consistency in these matters.

The purpose of this report is to assist the Regents and the elected and appointed leaders of the State in developing a comprehensive plan which will embrace all the resources now available - public and private - and which will serve the needs of the State's citizens with maximum effectiveness and economy. We feel confident that this report provides the basic information and analytical insight to undergird the large and urgent task of formulating public policies and programs which are adequate to future requirements.

John W. Chandler

ACKNOWLEDGMENTS

For the first time in history, the private colleges and universities in New York State (and probably in any state) united to prepare a statewide master plan. They were given relatively few months in which to submit their goals, objectives, courses of action, and projections. We in the Commission had only about two months in which to distill the 100 master plans received (running from 30 to 130 pages each), analyze, interpret, meld and weld them into one statewide master plan for submission to the Regents on June 1, 1972.

Our first thanks go to the chief executive officers of the 100 institutions which responded and to the several hundreds of their officers and staff for the care and thoughtfulness with which they prepared their well documented master plans.

Our second thanks - and please note that these thanks are in chronological order, not in order of importance - go to the nineteen members of a half-dozen task forces that labored hard in the reviewing and analyzing of thousands of written statements and summaries thereof. Posterity should know these willing workers: Thomas A. Bartlett, Colgate; James Bateman, Bennett; Robert M. Briber, Hudson Mohawk Association; John W. Chandler, Hamilton; D. Francis Finn, NACUBO; Fritz H. Grupe, Associated Colleges of St. Lawrence Valley; John R. Jacobson, Association of Colleges, Mid Hudson Area; Allan A. Kuusisto, Hobart and William Smith; Edward Levin; Thomas Mackesey, Cornell; Edward J. Mortola, Pace; Norman Mercer, New York State Education Department; William Nystrom, Bennett; Joseph C. Palamountain, Skidmore; Frank P. Piskor, St. Lawrence; Gary H. Quehl, The College Center of the Finger Lakes; James J. Ritterskamp, Vassar; Edward S. Todd, Rochester Institute of Technology; Michael P. Walsh, Fordham.

The third expression of gratitude is for our two specialists, Clarence H. Daniel, formerly of Rensselaer Polytechnic Institute and Theodora Thayer, Syracuse consultant, who competently produced hundreds of statistical summaries - and to Allen Cartter, New York University, Donald Nutter, New York State Education Department and Samuel Philips, Syracuse, for special and excellent write-ups.

A fourth round of thanks is due our management consulting firm of Peat, Marwick, Mitchell and Associates and particularly two of its principals, Charles A. Nelson and Dan W. Robinson for their prompt and

thorough-going quantitative analysis of the most important of some 100,000 figures reported.

Money is not everything, but the scope of this statewide master plan would have been far, far less adequate if it were not for the ready and generous financing of this whole endeavor by the Ford Foundation. The Edna McConnell Clark Foundation is also thanked here for its supplemental grant that helped us fill in several chinks and will make it possible to computerize most of the data received, for future statewide master planning.

We would like to extend our thanks to New York University Publications Bureau for their outstanding aid and cooperation.

The next-to-last set of thanks goes to Jeanie Summer for her excellent special assistance in coordinating several facets of the work and to Christine Boyce for her excellent regular assistance in holding the shop together in good humor and competence.

The final very large accolade is reserved for President John D. Wilson of Wells College who wrote 99.4 percent of the narrative comprising the seven chapters of this report. Under extreme time pressure, he read and studied and wrote and re-wrote. He thought and wrote perceptively, wisely and gracefully - and produced a report of strength and continuity.

John I. Kirkpatrick

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Chapter One

Introduction

to harness the power and prestige of...all the independent colleges and universities ...in a coherent program of advancement ...with recognition...of the distinctive character of each...

CHAPTER ONE: INTRODUCTION

The Commission on Independent Colleges and Universities in the State of New York represents, in voluntary association, virtually every private institution of higher education in the State. Created in 1957, it has grown in importance as it has sought in the past 15 years to interpret the strength and diversity of the State's private colleges and universities. Its role as an agency for interinstitutional dialogue and cooperation has been increasingly valuable, both to its members and to those in government, education, and in the larger society who have concern and responsibility for the progressive development of higher education in New York State.

In the past 12 months, the role of the Commission has been dramatically enlarged. Alarmed by the astronomical costs of higher education in the State s burgeoning public systems, and concerned by the incipient erosion of the financial stability of our private colleges and universities, the Governor and the Board of Regents recommended, and the Legislature approved, a new long-range planning cycle for all of higher education in the State. Reaffirming the responsibility of the Regents for ultimate planning consolidation, the Legislature specifically included the private sector in its planning mandate and determined that the Commission on Independent Colleges and Universities would assume the obligation to participate, on behalf of its members and in equal part with the State University and the City University, in the development of the State's comprehensive plan for higher education for the decade ahead.

The consequence of this far-sighted legislation cannot easily be overestimated. In fact, it is unprecedented in this country. Never before have independent colleges and universities been invited to participate in equal part in the creation of statewide plans for the development of higher education. This is not to suggest that the resources of the private institutions have been overlooked in earlier plans. Given the unique organization of higher education in New York State and the vital role of the private sector in serving public needs, the Regents have invariably looked beyond the stated aspirations of the public systems to insure the continued partnership of both private and public institutions.

Evidence of this concern for coordinated development is everywhere to be found, from the Regents planning documents themselves to the special studies commissioned in the past decade (most conspicuously,

the "Report of the Select Committee on the Future of Private and Independent Higher Education," January 1968). However, it has never before been possible to have in one document a comprehensive summary of the concrete plans and aspirations of the private institutions themselves. And this is precisely what this report represents.

It must be understood that the Commission's report does not stand alone. Indeed, it rests upon a solid foundation of 100 separately developed institutional master plans[1], each one based upon local campus assessments of present institutional strengths and weaknesses, and with proposals for future development supported by specific courses of action laid out in both programmatic and financial terms. In a very real sense, the Commission's report is a most inadequate expression of the care and thoughtfulness with which the member institutions, working under extreme pressures, have responded to the planning format and timetable established by the Commission in response to its planning mandate.

But "mandate" does not accurately convey the spirit of this report or reflect the good will which informs each of the institutional plans which the Commission has sought to distill. And this spirit arises from a sense of the importance of cooperative planning as the State seeks to meet the rising aspirations of its citizens for higher education in its manifold forms. It is true, of course, that private education is scarcely monolithic in character: to talk of the private "sector" as if it represented a single entity or a single educational viewpoint is grossly misleading. But it is not misleading to suggest that the education of men and women is a public good of the highest order or that independent colleges and universities in this State have pre-eminently served in its realization for over 200 years. Nor is it in error to state that they will continue to serve, and with national and international distinction, as together with their public counterparts they contribute their vast resources to the achievement of the educational goals we set for ourselves as a people.

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[1] The Commission received 100 separate institutional reports in time to incorporate their findings and recommendations in this summary document. Taken together the 100 institutions represented enroll 93 percent of all private enrollments in the State.

In briefest form, this report seeks to harness the power and prestige of all of the independent colleges and universities in this State in a coherent program of advancement, even as full recognition is given to the distinctive character of each institution. It is submitted to the Regents, along with the 100 separate plans which provide its foundation, by a Commission privileged to represent the rich and varied range of independent colleges and universities we enjoy in New York State and privileged, too, to contribute to the overall planning process a unified conception of the enormous potential for continuing public service which private higher education so clearly represents.

Chapter Two

The Climate of Uncertainty

...a time characterized by both the rhetoric and the fact of reform.

CHAPTER TWO: THE CLIMATE OF UNCERTAINTY

The planning responsibility of the Regents and of all institutions of higher education in the State has never been more difficult or more important than it is at this point in our history. It comes at the close (and it is the close) of a period of unprecedented growth and development, a period of affluence marked by the self-confidence that comes from escalating demand and a corresponding willingness of public officers and private benefactors to contribute to the rapid expansion of all of our collegiate programs. The challenge in the sixties of a vastly enlarged youth population, matched by rising expectations for collegiate opportunity, was met in New York State only through the massive expansion of the State University and City University systems and by the simultaneous expansion of the capacities of the State's private institutions as well.

Recall that in the short span of nine years full-time undergraduate enrollment in New York colleges was enlarged by some 110 percent, from just over 200,000 students in 1961 to approximately 440,000 in 1970-71. It is true that the tax-supported systems were commissioned to meet the major part of this extraordinary growth. It would otherwise have been impossible in a decade to more than double the base that had taken two centuries to establish. Still, private colleges and universities moved as rapidly as their philanthropic resources permitted and funds were privately raised to provide an expanded capacity for an additional 54,000 full-time undergraduates by the end of the decade.

Table 1

A COMPARISON OF FULL-TIME UNDERGRADUATE ENROLLMENT IN PUBLIC AND PRIVATE INSTITUTIONS, 1961 AND 1970

(in thousands)

	1961	1970	% Increase
Private	124.6	178.1	43%
City University, Four-year	33.3	67.2	102%
State University, Four-year	28.8	87.9	205%
Public Two-year	22.1	106.3	381%
	208.8	439.5	110%

While the shift in responsibility from the private to the public sector was dramatic in its suddenness[1] and while the peak in private college enrollment growth was visible as early as 1968,[2] it is still noteworthy that our private institutions, without benefit of direct public support, managed an expansion of their enrollment base of approximately 46 percent in less than ten year's time.

Significant as that achievement was, it is but an index to the character of the period through which we have only recently moved... and which will never be repeated in anything like a similar way. It is true that the citizens of the State will call for continuing expansion of higher education opportunities in the decade ahead; a larger percentage of our high school graduates will, each year, enter some kind of post-secondary program and, at least through the seventies, the secondary school population will continue to grow. But that growth will not rival the extraordinary development of the past ten years and it will challenge our collective planning to insure that all of our present resources are optimally utilized before we create an additional capacity that, after 1980, may never be required.[3]

But it is not merely this significant shift in the projected enrollment pattern that makes our present planning so difficult. Beyond this is a fundamental shift in our thinking, not merely about the forms, but especially about the goals and objectives of higher education appropriate to the years ahead. For we have entered upon a time of sharpened self-criticism and concern. On every campus in the State, and in executive offices in Albany and Washington, in the meeting rooms of the Carnegie Commission, and in the legislative halls at both state and federal levels, a new and insistent concern is being expressed.

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[1] In 1961, private institutions enrolled 60 percent of all degree credit undergraduates; in 1970 they enrolled 41 percent.

[2] In 1962, 33,829 full-time, first-time freshmen enrolled in private colleges in the State. This number rose rapidly to 46,623 in 1968. It scarcely climbed above that number by the end of the decade and is projected to fall to 43,500 in 1972.

[3] Projections indicate an actual falling off in the size of graduating classes in the State's secondary schools after 1980.

Ours is a time characterized by both the rhetoric and the fact of reform. Students, faculty, administrators, parents, trustees, all have contributed to the cathartic enterprise of examining what we teach and for whom and to what ends. Indeed, the very mission of our colleges and universities has been called into question, along with the relationship that obtains, or should obtain, between collegiate societies and the larger society that sustains and supports them. And under the force of increasing financial stringency, it is clear that the questioning will continue and will move beyond internal modes of organization and governance to take up matters of basic character and commitment.

This is a most important and potentially helpful development in American higher education. It might well be argued that the institution specifically designed to examine the efficacy of various forms of social organization (amongst many other things) has invested too little thought and too little time in an examination of its own character and purpose. But this self-examination is presently operating at levels so deeply rooted as to make ever more complicated the task of defining and shaping the future. And it has been undertaken at a time when crucial forces from <u>outside</u> the academic community, and uncontrolled by it, have begun to exert their shaping, indeed, in some instances, their <u>distorting</u> influence.

Consider the unpredictable but telling impact upon our collegiate institutions of temporary shifts in the national economy and of public policy initiatives developed in response to these shifts. We are talking here of much more than the corrosive impact of inflation or the telling significance of recessed economic activity (not only upon corporate philanthropy but upon the college-going-decisions made by a family in economic uncertainty). Rather, we have in mind the devastating impact upon university and collegiate program planning which a reduction in Federally sponsored research activity can produce. Or the disarray which can characterize an entire industry (and the academic programs which prepare that industry's professionals) as a consequence of major shifts in the Federal budget. Indeed, at both State and Federal levels of government there now resides an awesome power to affect for good or ill the internal health and balance of most if not all institutions of higher education, public or private. It is simply not possible to overlook this symbiotic relationship. And we must deal as frankly and intelligently as possible with its implications and consequences.

So, too, influences within the academic community have been loosed in the last few years which are equally potent in distorting even the most carefully drawn forecasts and the plans based upon them. Can we now know what impact upon our residential colleges the further development of non-traditional modes of instruction will have? Can we begin to sort out how widespread the condensed baccalaureate program (the three-year B.A.) will become in the next few years and what its adoption on a given campus will mean to internal economy? Will we see a rapid escalation in the already observable patterns of unorthodox collegiate attendance, with easier entrance and exit, greater frequency of leaves of absence and a more attractive set of off-campus options for development and growth? Will educational technology genuinely come of age in the decade ahead in ways which will make economic and pedagogical sense? If so, what impact upon traditional instruction models should we anticipate?

These few basic questions can only suggest the complexity of the context in which the planning process must presently move forward. And we have left for later and more specific analysis the decisive influences of sector-wide forces upon the capacity of the State to meet its higher educational goals with optimum efficiency and qualitative assurance. The spectre of the unwitting and unwilled collapse of private higher education in this State, were it to happen, could visit a crushing blow to the economy of the State and to the legitimate aspirations of its citizens.

It is clear that the State of New York has a priceless asset in its higher educational system, with proud and distinguished public and private institutions working within the policy framework provided by the Board of Regents through the unique conception of the University of the State of New York. It is also clear that the basic components of that system are now as dependent upon each other as the society is upon both joined together in the high tasks they so obviously share. Planning for the optimum utilization of their combined resources in a finely modulated policy, especially when there are so many vital factors which could change, is a major responsibility, as crucial as it is complicated. But it must be undertaken and with as much skill, candor, and good will as can be brought to it.

Chapter Three

The Private Sector

...collective energy...is derived from its freedom to define distinctive missions for distinctive constituencies.

10/11

CHAPTER THREE: THE PRIVATE SECTOR

We have already indicated that it is misleading to use the term "sector" in an attempt to characterize the State's independent colleges and universities. And this is so, simply because the defining genius of private education in New York State is to be found in its comprehensive character and in the truly unusual diversity and range its programs reveal. The "sector" that includes great university centers like Columbia or Cornell or Rochester, and includes nationally recognized undergraduate colleges like Vassar or Barnard or Hamilton, and includes technical institutions of the high competence of R.P.I. or Clarkson, and includes, too, a host of superior two and four year colleges of both religious and non-sectarian character, plus a rich cluster of professional institutions; this "sector" bursts the confining character of the collective noun used to describe it.

This is an important point, so important that it deserves elaboration, especially at a time when the threat to the financial stability of the private sector is as pronounced as it now is. For "diversity" or "pluralism" is something we have come to take for granted, a pleasant cant word used on occasion to summon up, in an amorphous way, our general respect for democracy and for the idea of individual differences. It is a value we have come to give automatic allegiance to, without stopping to consider exactly what it means to us as a people or, in the present context, what it means to the quality and vitality of higher education in this State.

But with the forces for conformity as strong as they are today, we cannot take for granted the diversity of approach and character which our private institutions so patently provide. For the private sector is much more than a collection of individual institutions all more or less doing more or less the same thing. On the contrary, it is the manifest expression of our conviction that there are different approaches and different communities and different value systems which can be legitimately employed in the education of the next generation. The collective energy of private education is derived from its freedom to define distinctive missions for distinctive constituencies, to meet individual goals and objectives in different ways within the framework of broad social needs and priorities.

Diversity is important to American society, and it is important to higher education in New York State. We must believe in it and preserve it. We are

not all the same and our institutions cannot be either. They must be strong and free to choose which educational problems they can most effectively solve; and they must be free to reflect in their organization, in their size, and in the distinctive values they manifest (whether religious or philosophical) their own judgments and their own spirit and traditions. To lose this is to turn our lives gray. We must recognize this and we must work together to see that it does not happen, whether by accident or design, to our colleges and universities. No financial or planning exigency should be allowed to compromise it. The forces for homogenization are not iniquitous; on the contrary, they may well be reinforced by the most benevolent and well-meaning intentions. But we have an obligation to resist them even if in doing so our instincts for tidiness, "accountability", and symmetry are frustrated.

This axiom was made the very center of the charge to the Bundy Committee[1] by the Governor and the Chancellor of the University of the State of New York. And it was continually before the Committee as it drafted its recommendations. We remind ourselves of this as we seek in this report to reflect the magnificent variety of settings and programs and values of our private colleges and universities. In their diversity is to be found a valued resource for a free society.

The pluralistic character of private higher education in the State paradoxically reflects on a sector-wide basis an overarching value to which all of our institutions subscribe. And we feel obliged to state it here even as we participate in the necessary effort to identify statewide needs and broadly based responses to them. For it is the pre-eminent value of a free society and the value that is so effortlessly expressed by the independent colleges and universities of the State. We refer, of course, to the sanctity, the dignity, and worth of the individual person.

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[1] The Select Committee on the Future of Private and Independent Higher Education was chaired by Mr. McGeorge Bundy. The charge was expressed in a single phrase; "how the State can help preserve the strength and vitality of our private and independent institutions of higher education, yet at the same time keep them free."

We claim no monopoly on this value; it is given expression in many institutional settings, public and private. But it is a natural expression of the insistence upon variety and different-ness, even the idiosyncracy, which so clearly characterizes the private institutions in this State. And as we inevitably take up the large policy questions associated with enrollment and financial projections, we must not lose sight of the ultimate end to which all of our effort is dedicated. Have we, indeed, responded to the specific educational needs of the persons who make up "society"? Have we educated individuals, bringing each to a fuller realization of his heritage, his gifts and talents and aspirations? These are the ultimate tests by which we must be prepared to be judged and in the affirmation we hope to give to them, the private colleges and universities discover their abiding solidarity and primary task. If tomorrow's young people, each seeking to find himself and his unique gifts, can be brought to the service of others through self-knowledge, self-respect, knowledge of the world, and of the culture which shapes us all, then we shall have done well.

But private education in New York State is more than an expression of the principle of diversity or the reflection of an ideal. Collectively, it represents a powerful educational complex unequalled anywhere in the nation or the world. The private sector in New York numbers some 135 different institutions with hundreds of millions of dollars invested in physical facilities and expensive equipment; and it educates hundreds of thousands of young men and women at both advanced graduate, professional, and undergraduate levels. Seven out of ten students in New York State in doctoral programs and in programs leading to professional careers in law, medicine, dentistry, architecture, engineering, and the arts are enrolled in our private colleges and universities. Approximately half of the full-time undergraduate students enrolled in four-year institutions is being educated in our private colleges and universities.[1]

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[1] The 41 percent figure cited earlier in this report includes full-time and part-time undergraduates enrolled in two-year colleges. The massive development of the four-year units of the State University and City University systems has been exceeded in the past ten years by the growth of the public community college.

The extraordinary research and public service contributions of our leading private institutions reveal an impressive range, and attract to the State a host of business and corporate enterprises which depend upon the auxillary support of research activities to foster their own affairs. And the richness of the contributions private institutions make to the communities in which they are located, from programs in the arts to direct interventions on behalf of improvement in the quality of life, can scarcely be reckoned.

And private education is more than enrollments and research programs and public service. It is fundamentally the resource of thousands of committed people who freely give of themselves, out of loyalty and love or respect, to serve as trustees or alumni volunteers. These devoted friends of higher education are too rarely recognized for the value of their services. Not only do they assist by sharing their management skills and their knowledge of the world, but they quietly solicit the support of others who by affinity of interest and loyalty to the idea of private initiative and distinctiveness, are invited to reach out to assist in the vital task of educating our young people.

We simply cannot quantify the importance of this unusual service. It is not undifferentiated as are tax payments or contributions to the United Fund. It certainly grows out of a conviction that the integrity of the higher learning is a true exemplification of a free and progressive society, but its attachment is invariably singular. It comes from the affection of individuals for particular institutions and from the certain knowledge that affection implies responsibility. How can this vital connection be properly measured or valued? It produces approximately $120 million each year in gifts and endowment income for our private institutions as well as many more millions for capital expenditures; and it helps to generate, through tuition income, another $544 million. But to quantify in this way the social value of the support and energy of citizens freely given to our private colleges and universities is to miss the mark. It cannot be measured in dollars and cents, in buildings constructed and endowment increased. Is the harnessing of talent and time in the voluntary assistance to private institutions in the public service. And if as a society we cannot afford to lose the hundreds of millions of dollars our private institutions contribute each year to the educational goals of our people, still less can we prosper with the loss of our volunteer support.

There is, finally, one further dimension to private education in New York State that deserves our attention. We have referred to the private sector as engaged in "public service." And we mean precisely that and in the most comprehensive sense of the term. For who is it, finally, that we serve in our private institutions? Is it an intellectual elite consisting of the top ten percent of the talent scale? Obviously not, for we have already indicated that half of the young men and women enrolled in four-year programs are matriculated at private institutions, and while standards of selectivity vary from institution to institution, it is clear that a broad spectrum of college-going talent is represented in the sector as a whole.

Is it, then, a constituency drawn predominantly from the economically advantaged sector of our society, from the upper class? This, too, is a gross misconception. The fact is that the economic and social background of students in our private colleges differs in no conspicuous way from the background of students enrolled in our public institutions. In fact, statistics gathered from a national sampling of family income distributions reveal that in 1969-70 students from families with annual incomes of less than $4000 constituted 5.8 percent of the enrollments of the private institutions in the sample, and 3.8 percent of the enrollments of the public institutions. From the $4000 to $8000 category, private colleges drew 17 percent of their enrollments and public institutions enrolled 19 percent. Thus, while the private institutions in the sample did enroll a higher percentage of students from the highest brackets, they equalled or exceeded their public counterpart in reaching young men and women from the lowest income categories.

This is a startling fact and warrants our closest attention. It does not mean that our private colleges and universities are "similar" to our public colleges and universities. There are conspicuous differences in size, internal organization, physical attributes, scale, and program. But, it does mean that our private institutions have been and continue to be fully responsive to their acknowledged responsibility to serve the society and to assist it in meeting its educational goals. And more particularly, it means, as will be made clear in a later section of this report, that they are attempting, at great sacrifice to their fiscal stability, to respond to the mandate we have embraced as a people... to free education opportunity from the artificial restrictions imposed by the financial conditions of one's family.

In brief, then, it can be said that New York State enjoys a unique gift in its private colleges and universities. In part by design, in part by historical accident and good fortune, and in conspicuous part by the generous philanthropy of individual citizens, this towering asset has been brought into being and has been carefully and generously allowed to develop, until today it has no rival in any other state in the Union. It is a strange and frightening paradox that in the space of fewer than five years, this powerful community of independent institutions should be wracked by the most serious financial crisis in the history of higher education in this State. And to an examination of this crucial dilemma we must now turn.

Chapter Four

The Financial Crisis

...the widening gap in tuition...force more and more students from low and middle-income families to apply to the public sector.

CHAPTER FOUR: THE FINANCIAL CRISIS

"Academic depression" is now a household phrase; it provides the headline for virtually every newspaper story dealing with the nation's colleges and universities. And it is accurately applied to the whole of higher education, public and private, the small and large, the obscure and internationally distinguished.

So omnipresent is this general state of financial crisis that we are apt to forget how very recently it overtook our institutions of higher learning. The early warning signs did not really appear until the late sixties. In New York State, the appointment of the Select Committee, chaired by Mr. Bundy, signaled to the State and nation that private education was headed for trouble, but even after that Committee's excellent report was published (in January, 1968) we could not clearly see how deeply serious the problem would quickly become.

Indeed, the Bundy Committee acknowledged in its report that it had been surprised to discover how relatively mild the financial difficulty then appeared to be. Clearly there were problem areas already visible in that year: deferred maintenance had begun to assume major proportions and the failure in many of our institutions to operate auxiliary enterprises on a break-even basis had contributed to substantial deficits, especially in the largest of our university centers. These institutions, of course, were simultaneously struggling with the enormous expense of their advanced graduate and professional programs and this too contributed a disproportionate share to the growing deficits of that period. But the main point is this: just six years ago, when the staff studies for the Bundy Committee were completed, the <u>scale</u> of the problem was perceived to be so manageable in size as to lead that Committee to assume that with increased philanthropic support and internal management changes and with an annual State aid program of approximately $30 to $35 million, the private sector could be expected to display "vigorous health for the foreseeable future."

What could not have been apparent to the Bundy Committee is that it was sitting at the very time when the tide began to turn. Indeed, a central theme in that report and a significant factor in its cautiously optimistic conclusions is the finding that <u>enrollments in the private sector, while growing much more slowly than in either State University or City University, were nonetheless moving forward and consequently were bringing the operational relief that tuition income</u>

indispensibly provides. In the words of the Committee "there is no present evidence for any conclusions that private institutions as a whole are 'losing students' or 'pricing themselves out of the market'."

There is evidence now and it is alarmingly clear: in the fall of 1971 the private institutions of the State reported a combined actual vacancy rate of something over 50,000 places. These places represent unused capacity and in some instances do not reflect an actual net loss of enrollment. But actual enrollment losses make up part of the reported figure and the evidence is now clear that they will grow in the years ahead. Indeed, for the fall of 1972, the number of full-time entering freshmen enrolling in our private institutions has been projected to decline by some 4000 students for the sector as a whole. In brief, the present availability of tens of thousands of spaces in the State's private colleges cannot but be significantly enlarged as the growing gap between public and private tuition charges is translated into terms of household economy and the college decisions families are forced to make. With the private colleges required by financial pressures to charge tuition at rates three to five times larger than their public counterparts, it is simply unreasonable to suppose that this situation will reverse itself. On the contrary, the widening gap in tuition is bound to force more and more students from low and middle-income families to apply to the public sector; and the public institutions, in turn struggling with inexorable cost increases and decelerating appropriations, will be in no position to respond. The consequence is bound to be viciously cyclical and the ultimate result could well be (in addition to thousands of frustrated students and their parents) the permanent impairment of New York's comprehensive system of higher education.

This is not extravagantly stated. It speaks soberly to our condition at this point in time. State aid, on the Bundy Committee's formula, has been absolutely vital and must at all costs be continued, but it has only dulled the edge of the rising deficits in our private institutions. Leaving to one side for the moment the church-related and two-year private colleges (i.e., those private instituions not eligible for state aid), in the four-year period up to 1971 the aided institutions had sustained cumulative deficits exceeding $76 million. Indeed, their deficits for 1969-70 would have reached almost $60 million for that single year without the $25 million in state aid distributed by formula. And in the present year (1971-72), in spite of increased tuition, accelerated fund raising activities, severely contracted services and state

assistance, 56 of our private institutions (of whom 38 were state-aided) will suffer a combined deficit of over $39 million. In fact, to record the plight of the private sector in the most recent and constructive terms possible (with full allowance for new sources of income and increased enrollments), it is necessary to state that 53 institutions have reported to the Commission five-year cumulative deficit projections of $193 million by the end of the 1975-76 academic year. And this, in spite of enrollment increases and tuition and philanthropic income projections, may well be unrealistically low.[1]

It might well be asked how and from where such colossal deficits have arisen. Why is it that in the passage of a few years the greatest of our private institutions in this country and in this State have been struck by monumental disparities between their income and expenditures?

The question is a complex one and takes on slightly different colorations in particular institutions. It cannot be answered in anything like a precise way for all. However, these elements have been centrally involved:

1. The costs of goods and services, especially human services, have been steadily rising at rates between seven and ten percent throughout the past ten years. This devastating erosion of purchasing power has been caused by the general inflationary trend in the larger society, but also by the elimination in the past 15 years of what President Kemeny of Dartmouth has called "higher education's covert subsidy." He meant by that the subsidy quietly provided over the decades by faculty and administrators who accepted subprofessional salaries.[2] This condition no longer applies

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[1] The basic economic assumptions used by the private colleges and universities in making their financial projections were (a) that there will be an inflationary factor of five percent each year; (b) that state aid will remain at present levels; and (c) that there will be no new programs of aid initiated at the federal level. The institutions were encouraged, therefore, to develop proposals and these, with variations, necessarily involve steeply rising tuition charges, capital fund-raising campaigns, and hoped-for enrollment increases.

[2] Less than 20 years ago, a full professor at Dartmouth

in either the public or the private sector. While salary rates have risen more rapidly in our public colleges, competitive pressure has forced private salary scales to within a few thousand dollars of their public counterparts and the future holds out no conspicuous hope for relief on this score.

2. Scholarship grants to students have skyrocketed in our private institutions... and this in spite of the advanced programs in student aid available to New York State residents (over 80 percent of private enrollments come from New York State). Obviously, we are here dealing with still another element in the spiral of rising costs, rising tuition rates, and falling enrollments which currently plague the private sector. However, this is not the entire story: at the very time these disparities manifested themselves, the private institutions were making (as they continue to make) special efforts to play their part in the education of economically disadvantaged young people. Indeed, as earlier noted, the private institutions have responded as fully as their public counterparts to this vital social mandate. Consequently, unfunded student aid constitutes one of the most significant factors in the economic health of our private colleges. In 1971-72 alone, the private institutions reported to the Commission a total of unfunded student aid (i.e., aid from their own nonrestricted income) in excess of $51 million! And while part of this grant money assisted minority students (whose support form public sources simply cannot begin to meet private institutional costs), the larger part was devoted to assisting students from middle-income families (e.g., $10,000-$18,000). For it is a sobering fact that private institutional costs have now placed private education beyond the range of the great majority of our middle-income families. Only by generous sacrifices of their own unrestricted income have the private institutions managed to keep open the door to those of moderate circumstances. And the door is closing rapidly as the toll in deficits mounts.

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and at many of our best private institutions might have earned $6000 a year. The comparable salary today would be four times that scandalously low figure.

3. The dramatic withdrawal of the Federal government from full participation in the support of advanced graduate study and research has thrown back upon the private universities an impossible burden with little prior warning. The very recent contraction of NSF, NIH, and other Federal fellowship programs has forced the diversion of scarce institutional resources to the graduate student aid office and the simultaneous reduction of research support has caused equally grave financial repercussions. The direct relationship of research activity and the graduate program to the conduct of the undergraduate teaching program demonstrates how a public policy shift presumably affecting only one part of a university's operations can, in fact, affect the whole.

To recapitulate, the current financial problems of all colleges and universities, both public and private have, as we have seen, two basic and underlying causes: inflation and the increased demands for educational programs and services. These affect the units of the State Univesity and the City University with all the severity of their obvious impact upon our private institutions.

But because the private institutions are almost entirely dependent upon tuition, gifts, and endowment, they have been forced to raise tuition charges in dramatic fashion in an attempt to meet their rising costs. In turn, this has exacerbated the differential between public and private "user charges" and has forced two further accommodations upon the private sector: (a) a sharp increase in expenditures for student aid, and (b) a slow, incipient but debilitating drain upon enrollment in certain institutions and the loss of tuition income associated with it.

The point in reciting this dreary cycle again is not to urge that the growth of the public sector should be halted. As will be made clear in a later section of this report, the growth of public education must be assured if the State's total system is to meet its obligations in the decade ahead. The challenge facing us all is to adjust public policy in delicate but decisive ways to insure that the growth of the public sector is modulated to avoid its drawing still larger numbers away from the private sector. And the simplest and most direct method to achieve this modulation is to restore student choice by systematically eliminating the corrosive impact of the public-private tuition differential.

Before turning to a fuller discussion of this proposed course of action it is important that we consider what the private institutions are doing right now and by themselves to alleviate the burden of the financial crisis now so conspicuously threatening their accumulated strength.

The response to this challenge has taken three forms: expenditures have been drastically curtailed, income possibilities have been and continue to be vigorously exploited, and new management tools have been employed to gain a firmer hold upon the future through more sophisticated financial and program forecasts.

A. Expenditure Reduction: Alarmed by rising deficits, private college and university administrators and trustees have had first recourse to the option of program reduction or elimination. Obviously, this is a dangerous and difficult option; but it is also closest to hand. And when deficits threaten to outstrip all liquid assets, there is no other choice. Across the length and breadth of the State, these actions are typical:

1. Academic programs have been curtailed and in some instances dropped altogether. Staff reductions have occurred in all sectors of the curriculum, but with greater frequency in certain of the humanities and natural sciences.

2. Previously supported student services have been reduced or placed on a self-supporting basis. In some less crucial areas, they have been dropped entirely.

3. Pay increases for all staff, and especially for faculty and administrative officers, have been limited in virtually every instance and have been eliminated entirely in others. Pay freezes or slow-downs and limited replacement options form a common pattern across the State.

4. Research leaves and other forms of research assistance have been reduced. The short-term effects of these measures bring operational budget relief; the long-term effects are harder to estimate, but most certainly will depreciate the quality and currency of thought in the classroom and the delay of socially useful new knowledge outside of it.

5. Library acquisitions have been reduced through budget cuts. Periodical subscriptions have been curtailed and new book purchase budgets have seen, in some instances, serious declines. This method of saving also represents a very short-term gain, with the chance for serious long-term damage heightened every year.

6. Maintenance projections of a preventive kind frequently have been postponed, and all but serious repairs have been eliminated. Equipment replacement budgets have also been reduced.

7. Construction projects (both new and renovation) have in some cases been halted when that option remained open. Many of the new projects recorded in the separately filed master plans of the private institutions are already underway and will be completed within the next three years. Most of these projects reflect the desire to improve quality by providing special instructional space now either inadequately represented or not represented at all (e.g., studio art facilities, library additions, etc.).

Obviously, there is a point beyond which cost reduction cannot go without seriously jeopardizing the character and quality of an educational institution. Belt-tightening is one thing; program emasculation is quite another and it is all too easy to move from one phase to the other when the financial pressure becomes intense. The elimination of one faculty position in a four-place chemistry department may appear to represent program reduction when in fact it could spoil the symmetry and range of an undergraduate major in chemistry. However, most of the State's private institutions are still in the belt-tightening phase. Essential quality has not yet been impaired. But ominous signs are everywhere to be seen.

B. Raising Income: To improve income is clearly a more desirable option in balancing the budget of an academic program than is eliminating program elements. And the private institutions have compiled an enviable record in this respect over the past few years. However, it has been all but impossible to expand gift income fast enough to meet the high rates of inflation of the past decade. And tuition increases, while they have gone beyond the limits of many moderate-income families, have simply failed to keep up with increased costs.

Underway at the moment or in the advanced stages of preparation are scores of new fund drives which, almost without exception, are aimed primarily at improving endowment holdings and thus making more secure the future. Faculty chairs, library acquisition endowment, student scholarship endowment and capital funds for essential renovation and new construction, highlight an intensive drive by the private sector to retrieve its recent losses and restore its momentum. Whether these fund drives can all succeed in a philanthropic climate of unusual demand and limited resources, must remain to be seen.

C. Management Practices: The Bundy report cited in January, 1968 the Committee's impression that improvement in internal management systems could assist the private institutions in securing their financial stability. This judgment was based upon staff involvement with representative colleges in the State and did not purport to reflect an accurate picture of the entire private sector.

The Commission also has not attempted to ascertain the exact state of the management systems of the 135 private colleges and universities in the State. However, it is clear from the master planning of which this report is but a summary, that the institutional research capacities of the private sector have been substantially improved in the past five years. In this respect it is important to note how helpful have been the management services provided through the resources of the State Education Department. These have been especially valuable to the smallest of the private colleges where separate offices of institutional research simply cannot be justified. Clearly, an additional impetus to careful planning and financial forecasting in the private sector has been provided by the legislation which is the occasion of this report. As the biannual review of master plans unfolds the Commission pledges its own services and energy in assisting the member colleges in their continuing efforts to improve still further their planning and management capabilities.

Chapter Five

A Plan of Action

...the interests of taxpayers, students... will be best served by a program that enables students...to exercise free choice among institutions, public and private, which best meet their academic needs.

CHAPTER FIVE: A PLAN OF ACTION

As we have seen, in spite of their best efforts to assist themselves, the private colleges and universities collectively face financial difficulty. Fifty-three institutions anticipate a five-year cumulative deficit of $193 million by 1975-76, four short years away. And this deficit could be greatly increased if capital fund drives fall short or enrollment efforts are unsuccessful.

The consequences of this financial crisis are frankly intolerable... intolerable to the students of tomorrow, to the taxpayers of the State, and to the institutions themselves. For we know that the deficit-covering capacity of our private colleges is now almost exhausted. And, when reserves are gone and funds functioning as endowment are employed to meet annual operating expenses, the future is systematically mortgaged. The ultimate consequence could well be collapse and it may be that the pattern of collapse now being readied by circumstance will include in its early stages, not simply the smallest and least well endowed of our institutions, but some of the largest and most distinguished as well. In brief, if we drift toward disaster we will not be granted the illusion that survival is inevitably secured by distinction and range of public service and, conversely, demise is, in some curious extension of the principle of the marketplace, invariably deserved.

For we are not talking about the principle of the marketplace. We are talking about a system of higher education marked by a tuition differential of some three to five times higher in the private sector than in the public. And we are talking about the need of private institutions to finance their own capital development by meeting fund raising goals and providing debt service out of current revenues. Under these circumstances it is an act of cynicism or naivete to suggest that all units in New York's comprehensive system of higher education should be prepared to justify themselves in some grand Darwinian game of survival.

What is needed now is an affirmation by the entire system of the following objectives:

1. New York's system of public-private education should continue to be developed along comprehensive and varied lines.

2. Opportunities for higher education should be extended to students of all income levels.

3. Private and public institutions should continue to share the responsibility of serving the economically and educationally disadvantaged.

4. A New York student's financial means should not limit his choice of college or university.

5. Expansion of public and private institutions should proceed on a planned, coordinated basis - encouraging diversity, avoiding unnecessary duplication and overbuilding.

6. All Regent-accredited institutions of higher education should be constitutionally eligible for State aid.

7. Programs of public support should be developed and State budgets should be timed to permit each institution to make long-range plans, financial and programmatic.

8. Private institutions of higher education should be held accountable to the public for the general character of their programs. However, they should not be subject to direct and detailed public intervention in their operations.

9. Support to assure the survival and strength of a private institution should have preference over the enormously more costly alternative of replacement or absorption by the public system.

A LONG-TERM PLAN

In the long run, the interests of taxpayers, students, and the higher educational system in the State will be best served by a program that enables students, regardless of income level, to exercise free choice among the institutions, public or private, which best meet their academic needs. Those who have the least ability to pay should have as much freedom to select and attend the institution of their choice as those from the highest income levels.

To accomplish this objective the private sector must be kept strong and it must be made accessible. And the means to insure these developments are already close at hand.

To keep the private sector strong, New York's program of direct institutional aid (The "Bundy" Program) should be continued and expanded as rapidly as possible. It is now in its third year and has become a beacon for the rest of the nation. Its modest

formula of aid, while representing only the smallest fraction of actual student costs, has produced what in many instances has been the difference between financial sickness and health. It must be continued and at the very least, the formula should be improved to reflect the inflationary trend of the four years since its adoption. The inclusion of private two-year colleges in this program should no longer be delayed.

To keep the private sector accessible, the wide gap between tuition charges in the public and private institutions should be effectively reduced through an improved system of Scholar Incentive Program (SIP) assistance. While predicated upon an assessment of family income, the revised SIP schedules should take into account the actual net costs to the student and his family when choice centers upon a private rather than a public institution. No conspicuously greater sacrifice should be called for when this choice is made.

To create such a system of student assistance is not beyond our ingenuity or our means. It does not require an automatic increase in public tuition schedules, although it could act as an incentive for future tuition adjustments by holding safe those students who cannot afford higher tuition. And it does not require the sacrifice of the autonomy of the private institutions in setting their own tuition charges. What it must provide is a formula of student aid which will remove the gross disparity in actual costs to New York families who wish to elect a private college or university for their children.

In recommending this plan the Commission espouses the view that sound policy should reflect full recognition of the irreplaceable value of the private sector in the State's system of higher education. It must keep our private institutions strong in the public service and it must insure New York families a reasonable opportunity to send their sons and daughters to them. To ameliorate the impact of the tuition and differential through an improved Scholar Incentive Program will speak directly to the problem of how we can conserve and utilize all available space in our colleges and universities.

The Board of Regents has recognized the importance of enlightened programs of student aid to the health and vigor of the State's higher educational system. Indeed, it has called for implementation of

an accelerated program of SIP payments as an important first step in easing the burden of the tuition gap. [1] The Commission supports this two-phase program of the Regents as a necessary first step. [2] However, it cannot but underline the importance of a more comprehensive SIP program, a program which will keep choice more decisively open for lower and middle-income families. And we simply must address ourselves to the plight of our middle-income families. For the fact is that this major sector of our society is already seriously impaired in meeting the tuition costs of the State's private institutions and is "enfranchised" only by virtue of the extraordinary expenditure of unfunded student aid now provided by the private institutions themselves.

The Commission strongly recommends that the Regents' proposed revision of the SIP schedule be adopted as necessary phases for the next two years and, at least by 1975-76, the schedule be increased still further to conform to the illustrative table outlined on the following page. By adopting this schedule of SIP eligibility and accelerated stipends, the State would unequivocally assist in the solution of the problem of falling enrollments in the private sector and vastly distended and unmet demand in the public sector. It would not create an "equal" competitive situation between the two sectors because the net tuition paid by the family choosing a private college will remain higher (significantly higher for most families) than would be the case for the family with similar income choosing a public college. But the wholly unrealistic choices now confronting lower and middle-income parents would be ameliorated to the point where genuine choice could operate.

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[1] By increasing the present SIP maximum award of $600 to $1200 in the first year and $1500 in the second year, accompanied by a much more liberal scale of graduated family income levels. "Financing Higher Education in the Decade Ahead," Position Paper #13, State Education Department, January, 1972.

[2] Serious reservations must be expressed, however, regarding the Regents' proposal for limiting or controlling tuition policy in the private institutions.

Table 2
ILLUSTRATIVE TABLE OF PROPOSED SCHOLAR INCENTIVE AWARDS

Net Taxable Income*	Maximum Scholar Incentive Basic Award**
$ 0 - $ 3,000	$2,000
3,001 - 5,000	1,900
5,001 - 7,000	1,600
7,001 - 9,000	1,400
9,001 - 11,000	1,200
11,001 - 13,000	1,000
13,001 - 15,000	800
15,001 - 17,000	600
17,001 - 19,000	400
19,001 - 21,000	200
21,001 -	0

* Illustrative for two-child family only, with one child in college, based on 1971 tax table. Net Taxable Income in New York State in this illustration is less than 50 percent of gross income in the lowest family-income level and 75 percent of gross income at the $20,000 level.

** The Maximum Scholar Incentive Basic Award will be computed as follows:

a. For families with net taxable incomes of $9,000 or less, the maximum award will be the full amount registered in the table or full tuition, whichever is less;
b. For families with net taxable incomes between $9,001 and $13,000 the maximum award will be the full amount registed in the table or 75 percent of full tuition, whichever is less;
c. For families with net taxable incomes between $13,001 and $17,000, the maximum award will be the full amount registered in the table or 50 percent of full tuition, whichever is less;
d. For families with net taxable incomes over $17,000, the maximum award will be the full amount registered in the table or 25 percent of full tuition, whichever is less.

It is clear, of course, that such a program would cost the State more than the present Scholar Incentive Program. But it is also clear that the present schedule of SIP payments has not halted the flow of student choices to the heavily subsidized public sector.[3] And the consequence of a continuation of this marked tendency will be the need to invest hundreds of millions in new public university construction and operations while at that very time the private sector suffers continuing under-utilization and grave financial strain.

The Commission cannot too strongly urge the most serious consideration of this proposal. Direct institutional aid, in the form of "Bundy" assistance and "categorical" assistance for special need areas in the health fields and in engineering, is important beyond saying and simply must be continued. But it cannot insure citizen access to private institutions. And relatively easy access is essential if the private sector is to play the partnership role mandated, not by tradition or habit, but by present and future needs.

In brief, the implementation of the Commission's recommended alteration of the Scholar Incentive Program is of vital importance to our hope of restoring balance between the State's public and private partners. And upon that balance rests the future of private higher education in this State, opportunity for the State's citizens and the ultimate savings of millions and millions of tax dollars.

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[3] It should also be noted that the maximum proposed SIP payment ($2,000) does not exceed the present student subsidy now implicity in the State's financial support of the public colleges and university centers.

Chapter Six

The Private Sector and the Decade Ahead

...vital task of modulating public policy ...to maximize the development of both public and private sectors...to provide adequate and fully utilized facilities and programs.

CHAPTER SIX: THE PRIVATE SECTOR AND THE DECADE AHEAD

The private sector, relieved of the spectre of falling enrollments by a student assistance program that would narrow the cost gap and assume a part of the burden of unfunded student aid, stands ready and willing to assume its responsibilities in meeting the anticipated needs for higher education in the State in the years immediately ahead. As we have already indicated, the task of determining precisely in what form and in what quantity those needs will express themselves is a most formidable and complicated undertaking; the rapidity of change simply disallows orthodox straight-line projections. And more delicate still will be the vital task of modulating public policy in subtle ways designed to maximize the development of both public and private sectors in a coordinated effort to provide adequate and fully utilized facilities and programs.

UNDERGRADUATE ENROLLMENT PROJECTIONS

The Regents and the staff of the State Education Department have prepared sophisticated projections of undergraduate enrollment needs and objectives for the next ten years. These projections are derived from estimates of the number of secondary school graduates we can expect in the State through 1980 and from further estimates of the percentage of those graduates who will seek, and should be encouraged to seek, some formal educational experience at the collegiate level. The Regents' goal of providing equal access to higher educational opportunity for all who can profit from the experience, is one to which we can all pledge ourselves and our best efforts.

Expressed in concrete terms, the Regents' objective at the undergraduate level is to increase full-time, first-time freshman enrollment to 70 percent of the high school graduates by 1980. This objective represents an increase of approximately one percent for each year of the planning decade and when coupled with the growth in annual graduating classes, will require provision for some 181,500 full-time, first-time freshmen in 1980, an increase of 28.2 percent over the comparable enrollment in 1970.

Extrapolating from this estimate,[1] the Regents have defined a need for a full-time undergraduate enroll-

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[1] And making due allowance for migration and retention assumptions.

ment capacity of 638,000 for the State's private and public institutions by 1980. This figure represents a 45 percent increase over the 1970 enrollment and, of course, must be seen as following an increase of some 110 percent experienced during the decade of the sixties. There is no question that this goal for 1980 can and should be met. The question is how it can be met most effectively and efficiently and whether we can afford to meet it by the simple straight-line extension of the pattern of shared responsibility developed during the decade of the sixties.

It is clear that the private institutions are prepared to assume a larger share of future undergraduate enrollments than straight-line projections would indicate. Indeed, in the 100 separate plans submitted to the Commission, the willingness and the intention to expand enrollments in the sector as a whole are responsibly cast. This does not mean that all private institutions are prepared to expand; in a few instances, a concern for scale and intimacy of instruction has led to the decision to lower enrollments. But taken together, the sector has soberly assessed its present and future capacities, its program and community intentions, and has projected a comprehensive increase in the size of its undergraduate enrollment.

It is worth noting that the private institutions collectively project a larger number of full-time undergraduate students than the State Education Department estimates allow for; and by 1980, the difference rises to a total of 23,650. In gross terms, the State Education Department anticipates full-time undergraduate enrollment in the private institutions to reach 182,500 students in 1975 and the institutions themselves project an enrollment of 194,208. By 1980, the State Education Department projection rises to a very modest 187,200 while the institutions are preparing themselves for an increase to almost 211,000.

It is apparent that the private institutions are assuming that significant progress can be made, and within a very short time, on the problem of the tuition differential and the influence it now exercises over collegiate choice. They have consulted their present capacity and, where necessary and appropriate, have determined to expand that capacity to accommodate larger numbers of high school and two-year college graduates than they have in the very recent past.

We should also note what effect each of these growth projections has upon the total allocation of responsibility for undergraduate education in the State. The State Education Department estimates assume the

private college partnership will drop from its present 40 percent participation to a low of approximately 29 percent by 1980. The private institutions themselves posit a similar decline in their relative position, but assume a less precipitous fall to 33 percent.

Obviously, the difference in these projections is significant and must be carefully monitored in the months and years ahead. That both projections concede a decline for the private sector share of undergraduate education is traceable in large part to the anticipated increase in public community college enrollments during the planning period. This subsector has been the fastest growing of the rapidly expanding public systems and while the private two-year colleges can and should play an expanded role, every responsible observer will acknowledge the importance of the coninuing development of the public two-year group. But the private colleges and universities anticipate a larger role in the education of undergraduates in four-year programs than it is assumed they can or wish to embrace. And this is an important index to the state of balance and mutually supportive development which is the principal theme of this report. Keep in mind that the private sector now educates just over 50 percent of all undergraduate students engaged in four-year programs in the State. The most recent projections of the State Education Department would result in a drop in this figure of some ten percentage points by 1980, precisely the drop experienced during the enormous growth of the public sector in the decade of the sixties. The private colleges themselves, however, would hope to continue to play a more nearly equal role in this area and, thus, plan to enroll approximately 47 percent of the four-year, full-time undergraduate enrollment.

The question can properly be asked whether these estimates can, in fact, be counted upon and if so, under what prevailing conditions and according to which scenarios. No one is more cautious and conerned in this area than the private institutions themselves and the Commission which represents them in the drafting of this summary report. For let it be said frankly: the capacity of the private institutions to meet their enrollment goals will be enhanced or neutralized or damagingly blunted by what the State determines to do in the area of student assistance. And decisions in this area will in turn enjoin decisions governing the rapidity with which the public sector will feel obliged to expand its capacity. Having granted this relationship, let it also be repeated that the private institutions stand ready, if encouraged by public policy, to continue their full partnership role in the education of undergraduates in baccalaure programs. They have

articulated that pledge through 100 independently prepared plans, each one as thoughtfully grounded in the realities of the local environment as careful planning permits. And they seriously propose that economy and efficiency will be served if public policy assists them in meeting their objectives.

THE TRANSFER PROBLEM

An important element in assessing Statewide needs for undergraduate programs centers upon the increasing number of students who will begin their collegiate studies in a local community college and then subsequently will transfer to a four-year institution to complete work for the baccalaureate degree. This transfer population is large today and it will continue to grow in the decade ahead. And there is every indication that extensive accommodations must be provided if this 14th year population is to be adequately served.

Implicit in the private college projections for enrollment growth over the next ten years are elements of this "new" population entering directly into the upper division by transfer. And by that we mean to report that in a significant number of institutional plans, (especially in the larger institutions) extensive accommodations have been built into program and enrollment estimates for the community college transfer population. It is clear that, taken as a whole, the private sector is prepared to play a decisive role in solving the important articulation problem facing New York's higher education system in the years ahead.

It must again be acknowledged that these intentions cannot be fully realized without adoption of the substantial student financial assistance program called for in this report. For the fact is that there are serious financial problems associated with transfer from the public community college sector to private institutions. Far too frequently the community college transfer applicant is led to assume that because he cannot afford the higher costs of a private institution, he should not even apply. In other words, the financial barrier (real enough) has helped construct a "psychological" barrier as well... and thus, even those private institutions anxious to try to assist the transfer student with special grant, loan and on-campus work opportunities, are not often enough called upon to do so.

Some progress has been made on this front in the past few years; indeed more and more private institutions are now engaged in efforts to communicate their willingness to try to work out comprehensive programs of financial aid for community college transfers. But there

are serious problems associated with aggravating still further the financial stress imposed by burgeoning unfunded student aid budgets. Clearly a change in public policy is called for, one which, emanating from the Board of Regents, will ameliorate both the financial and psychological handicaps now confronting the community college graduate wishing to enter the private sector by transfer.

In addition to the changes in the Scholar Incentive Program recommended earlier, the Commission strongly urges that the Regents create a special scholarship program for the most qualified of the community college graduates. A program of this kind would give official sanction and encouragement to the idea of two-year, four-year collegiate articulation and if the stipends, together with SIP awards, could make choice genuinely operative, then the enormous problem of providing transfer spaces for our community college graduates could be substantially eased. The Commission must simply record here the interest and concern of its member institutions and its conviction that there are no serious barriers, save the financial one, to the harnessing of the great potential of the private sector in the sclution of this problem.

SPECIAL PROGRAMS FOR MINORITY GROUPS

As has been made clear in an earlier section of this report, the private colleges and universities have made a major contribution to the effort to insure opportunity for the economically disadvantaged young people of New York State. In many instances this contribution has taken the form of special counseling and advisement programs and, where necessary, special arrangements for prolonging beyond four years the work required for the baccalaureate degree. In <u>every</u> instance it has required major allocations of unrestricted income to cover the educational and living costs of students who cannot depend upon financial support from their families.

Included in this group of students are large numbers of young men and women from minority backgrounds, Black, Puerto Richan, and American Indian. Indeed it now seems clear that the ethnic composition of the student body of New York colleges and universities is determined more by the <u>location</u> of the particular institution than by its <u>public</u> or private character. New York University's Martin Luther King program was launched in 1968-69 and similar efforts to serve the minority students of metropolitan New York are to be found in virtually all of the private institutions in the City and environs.

Upstate private institutions have also undertaken an obligation to assist in this vital social task, even when their locations place them at some distance from large population centers. The effort of Cornell University to provide leadership in this crucial area through its C.O.S.E.P. program and the creation of its African Studies and Research Center deserves special mention, as do similar programs at Colgate, Rochester, Syracuse and a host of upstate private colleges. The assumption that private institutions are elitist or enclaves of privilege or wealth, simply cannot be sustained.

It is patently true that private institutions have virtually reached the limit of their capacity to assist, from their own resources, students who require total financial support and ancillary instructional services. In 1971-72 the five private multiversities (Columbia, Cornell, Rochester, Syracuse, and New York University) expended almost $23 million of their own unrestricted income to assist needy students! And 88 other private colleges expended an additional $28 million. No reader of the individual master plans can conclude that this level of support can be indefinitely sustained. It should be said, however, that private colleges and universities feel a profound obligation to participate in this important social undertaking; they are prepared to do so within the limits of their financial and program means. But the State and Federal programs (especially the H.E.O.P. effort now in its third year) simply are inadequate; they do not begin to overcome the economic consequences of enrollment by minority students in a private institution. And while the SIP program outlined in Chapter Five of this report will cover little more than half of the total costs of sustaining an economically disadvantaged student in a private institution, it should make it possible for the private colleges to continue to play their part by reducing the overpowering reliance they now must place on their own unfunded student aid appropriations.

It is not possible to speak of an "open admissions" program in the private sector. By this we mean to say that each private institution is free to determine how large it will become and how much of its resources it can give to the assistance of the students it enrolls. Selective admissions remains a key concept in private higher education and this is and must be true regardless of the obvious variation in institutional reliance upon orthodox modes of applicant evaluation. But if the collective response of private higher education to the problem of educating minority students does not constitute a single "open admissions" program, it nonetheless must be regarded as a major contribution

to the health of the society and the welfare of thousands of young people. It is a contribution which must be insured for the future: the society needs it, the aspirations of disadvantaged young people require it, and the private institutions themselves will be made better for it. All that is required is a public student assistance program that will make it possible.

QUALITY, INNOVATION, AND NEW INITIATIVES

The quantitative assessment of Statewide needs and the collective response of the private sector to them must form an important part of any "master plan summary." But enrollment statistics, however important or impressive, give little or no indication of the character of the developments now underway in the State's private colleges and universities. Financial stringency has given added incentive to the reassessment of purpose and means already underway, and the innovative genius of the private sector is now seeking varied and promising forms.

Any precise rendering of these initiatives must depend upon a direct reading of the 100 institutional reports on file with the Commission and the Regents. No summary can do more than hint at their general tenor and direction. To mention in brief passing the innovative flair of Colgate's new Track II program or Hobart's curricular effort to engage the student more fully in the shaping of his work, is to do no more than direct the reader to the detailed reports which feature these new and exciting possibilities.

We are, alas, almost inevitably left with statistics. But even these are impressive. For the fact is that a major reorganization of instructional resources is underway in the private sector. Indeed, some 347 "new" programs are chronicled in the institutional reports, programs ranging from associate degree concentrations in environmental design to graduate specializations specifically designed to train faculty in technical fields for applied science programs offered in the State's community and junior colleges. But to speak of "new" programs in this context may be misleading. We are obviously not talking about 347 new "departments" or curricula in the sense of new faculty newly engaged to offer entirely new courses and specializations. On the contrary, we are attempting to describe a vast effort at regrouping instructional resources and materials to bring concentrated focus upon the interdependence of academic disciplines in man's attempt to organize and understand human problems. Thus, interdepartmental or interdisciplinary majors abound in the curriculum plans of the private colleges. So too, we

discover significant new initiatives in such fields as the health professions, computer science, management science, and communications. Major work in the creative and performing arts is similarly recorded in the context of interdepartmental efforts to bring the insights of more than one field upon a significant area of human activity. Evidence of continuing growth and development in the social sciences is also apparent in the private institutions' responses.

Plans to eliminate programs are also recorded in the master plans, but these are fewer in number than one might at first expect. It is clear that the infrequency of declared program elimination intentions is attributable in large part to the severe timing schedule imposed by the master planning process and the need for careful and deliberate considerations by the Faculty before program reduction decisions can be publicly disclosed. However that may be, it is worth noting that plans for eliminating major programs seem largely concentrated in the area of foreign language and the physical sciences. Both areas have suffered recent declines in enrollment nationally and it is not surprising to note the institutional response to this phenomenon. Whether it will continue and will invite still further institutional response is not yet certain.

In brief, the private sector is alive with new curricular initiatives. Problem oriented majors (e.g., urban studies, environmental studies), field work, interdisciplinary area studies, independent study, innovative tracks for students seeking unconventional groupings of traditional fields, these and other responses to the ferment in undergraduate and graduate education are to be found in multitudinous forms in the plans of the private colleges.

New modes of organizing collegiate study are also discovered in the plans of the private sector. Fundamental departures from the conventional four-year baccalaureate calendar promise to test out new theories of learning and resource utilization which could be extremely valuable to all of higher education. Several institutions are planning now to introduce three-year baccalaureate programs. Still others are seeking to accelerate the time young people spend in formal study through early admissions programs which feature the collapsing of the senior year in secondary school and the first year in college. Similar modes of articulation and concentration are being tried at the intersection of undergraduate study and the first year of professional study.

FACILITIES

The problem of maximum plant utilization (a perennial problem in American education) is being addressed by several institutions planning year-round calendars. These go beyond the orthodox provisions of optional summer terms and involve compulsory features to insure parity of program and enrollment in each of every term of the institution's operation. The possibility of enrollment growth without new capital investment is a primary motive behind these calendar experiments.

However, physical development has not been neglected by the private sector in the casting of institutional plans. In fact, an increase of approximately 17 percent in Net Assignable Square Feet (NASF) for other than residential purposes is projected for the 1972-76 period. Much of this space is in the form of expanded library facilities and/or new and improved space for special instructional purposes (e.g., new studio space for the performing arts). It, therefore, represents a substantial effort on the part of the private sector to insure no loss of momentum or quality in the difficult years ahead.

How much of this projected increase will actually be achieved by 1976 is open to question. To be sure many of the planned facilities have been in the preliminary stages of program and space design for some time, and will, when full capital funding is secured, progress rapidly into the construction phase. And some are under construction at this very time. But many others are still in the early planning phase and it seems clear will not be taken beyond this point until planned capital fund drives are organized and the results assured. And in the second half of the planning decade (1976-80), an increase of less than six percent of new non-residential space is now contemplated.

Similarly, residential facility construction will be curtailed in the last half of the decade. A survey of the private institutions by the Commission in December, 1971 indicated why a virtual moratorium on new dormitory construction has been decreed: private institutions expect almost 12,000 unfilled residential spaces in the fall of 1972. This dormitory vacancy projection reflects in small part the anticipated increase in the number of commuting students and the continuing desire of some students to live in off-campus housing. However, the major factor is found in the further anticipated shifts in enrollment from the private to the public sector. It therefore reflects, in significant part, a substantial under-utilization of the present capacity for residential study in the

State's comprehensive system of higher education.

COOPERATIVE PROGRAMS AND ACTIVITIES

Cooperative efforts in the private sector are directed primarily at improved educational services, greater institutional effectiveness, and long-term economies. Some collaborative relationships have been operating for more than a decade. However, most are new and developing, and others are still in the early stages of planning. The largest number of existing and proposed cooperative activities involve academic programs, policies, and procedures. While commonly accepted in principle, administrative cooperation has not experienced the same level of success or rate of growth as cooperative educational programming.

Academic Programs

The free movement of students across campus boundaries has emerged recently as a dominant cooperative activity within the State, and there appears to be a small but growing number of cooperative approaches to student admissions and joint recruitment. Independent colleges and universities are encouraging students to take advantage of educational resources that are clearly beyond the capability of a single institution. Most cross-registration arrangements do not require the exchange of institutional funds. In some instances, cooperating institutions have developed a credit pool, and imbalances in student enrollment are corrected periodically.

Although cross-registration is often the initial cooperative arrangement between institutions, it has proved an important stimulus to the development of further cooperative academic programming. Mutual planning among faculty members has produced a rich and varied number of undergraduate, graduate, and community service programs co-sponsored by two or more participating institutions and, in many cases, involving community organizations as well. Most of these programs allow students to elect part of their course work at a sister institution. Faculty inter-visitation and joint appointments have grown out of such cooperative student programs.

Numerous academic, research, and community service programs are coordinated and centralized under joint auspices. Among these programs are those sponsored by the eight institutions that form the New York Ocean Science Laboratory at Montauk, Long Island; the Albany Medical College - Russell Sage program of health services in an inner-city section of Albany; the joint human services program sponsored by Rockland Community College and Dominican College; and the close collaboration and administrative coordination in a variety of academic fields between the College of Mount Saint Vincent and Manhattan College.

Cooperation in the field of library services is one of the oldest and most successful forms of collaboration in New York State. The state is particularly well-served through the 3-R Library Councils. Library cooperation at a more informal level also exists among small clusters of independent colleges and universities; joint purchasing and processing, interlibrary loan and delivery systems, union listings, and and exchange of library privileges for faculty and students are common.

Educational innovation and experimentation continue to stimulate many consortia arrangements. Rochester Institute of Technology, Nazareth College, and St. John Fisher College jointly sponsor an educational television system. Bard, Kirkland, and Skidmore Colleges are members of the Union for Experimenting Colleges and Universities, a national consortium that is dedicated to such experimental programs as the University Without Walls. Wells, Colgate, Hamilton, St. Lawrence, and Skidmore Colleges collaborate during the month of January (this made possible by their common 4-1-4 calendar). And many other innovative programs have been organized to facilitate minority student recruitment and educational services, joint foreign study opportunities, the sharing of audio-visual equipment, cooperative approaches to faculty development, and joint student activities and services.

Administrative Programs

Administrative cooperation among independent colleges and universities in the state includes information exchange, sharing of classroom facilities, computer sharing, and joint fund-raising and community relations efforts. In a small number of instances, cooperative approaches to purchasing and insurance are being studied and undertaken. Indeed, a few colleges and universities actually sponsor joint appointments at the administrative and trustee levels of management.

In some cases institutions in the same geographic area have worked out arrangements to share facilities. The New School of Social Research shares classroom space with the Parsons School of Design. The State University at Purchase rents residence hall space from the College of White Plains, and Ithaca College and Cornell University share facilities for Education Opportunity Program students.

Present planning in computer hardware and software between private and public colleges has resulted in new networks with broad administrative, teaching, and research capabilities. The planning of such computer networks is now underway in many areas of the State, Spearheaded by organized consortia. Local and regional computer facilities are often shared through terminals.

For many years effective fund-raising and community relations efforts have been achieved by independent colleges and universities working together. Since 1952, 25 private colleges have made joint appeals for financial support from corporations through the Empire State Foundation of Independent Liberal Arts Colleges. On a much smaller scale, Dominican College and St. Thomas Aquinas College sponsor joint consultation in financial development through the Council for the Advancement of Small Colleges, a national organization. And for its 106 member institutions, the Commission on Independent Colleges and Universities has played a useful role in representing the colleges in policy formation at the State level.

Institutional Economy and Efficiency

The growth of collaboration among independent colleges and universities in New York State has been prompted by both financial pressures and the need for educational reform. Financial stringency has imposed the obligation to economize by avoiding unnecessary proliferation and duplication of facilities, human resources, and degree programs. Educational reform and innovation have fostered new forms of teaching and learning, research programs, and community service commitments.

At times, both of these purposes have been achieved through single collaborative arrangements. More often, however, economic and educational objectives have not been served simultaneously through the current forms of cooperation in the state. Despite the primacy of the economic motive, it is clear that institutional budgets have not yet been significantly reduced through collaboration, and major economies have yet to be achieved on a continuing basis.

Regionalism

There is reason to believe, however, that new and improved forms of interinstitutional cooperation will be brought into being through the rapid development of the concept of "regionalism" in the State. This concept was brought into being on 1 February, 1971 when Governor Rockefeller issued an Executive Order requesting all state agencies to indicate how they intended to utilize the geographical regions in the State which had been designated for all comprehensive planning activities. The Board of Regents subsequently developed policy guidelines for the development of regional relationships among private and public institutions of higher learning. These guidelines call for the establishment of Regents Advisory Councils in each of the planning regions of the State and charge the Advisory Councils with the responsibility for assessing local needs and resources and for forecasting long-range program developments... developments which will embrace the collective resources and efforts of all of the cooperating institutions in the region.

Advisory Councils have already been established in the New York City metropolitan area and in the Genesee Valley and Northeastern regions. The metropolitan "pilot project" is very much underway at the time of this writing and seems destined to achieve a greater degree of interinstitutional cooperation among all higher education institutions in the region than has ever been achieved before. Task forces are presently exploring the financial implications of shared facilities, joint programs at both graduate and undergraduate levels (including especially joint programs for the disadvantaged), and the possibilities for greater economy and efficiency through the consolidation of planning and resources in certain specialized instructional areas. There are obvious problems to be overcome in bringing autonomous institutions together in relationships which necessarily restrict the range of choice open to each. It is also obvious that not all institutions can or should define themselves and their programs in regional terms. But the private sector welcomes the opportunity to join forces in the State's effort to meet the higher education needs of its citizens and it sees in "regionalism" a sane and potentially valuable tool in maximizing resource utilization. Clearly the time for cooperation at the most comprehensive level is here and the Commission pledges its support to the Regents as the concept of "regionalism" is extended throughout the State in the years immediately ahead.

GRADUATE AND ADVANCED PROFESSIONAL EDUCATION

More dramatic than its role in undergraduate instruction is the private sector's contribution to graduate education. In 1970, the State's private institutions accounted for 71.0 percent of the students enrolled beyond the bachelor's degree, and the concentration was even greater at the doctoral level. The problems of graduate education in New York State have thus been, in many ways, private sector problems. The major shifts since 1967 in federal research support and fellowship grants, and the difficult job market for certain Ph.D. fields, over the last several years, have been especially troublesome to the private sector's eleven universities. The concurrent emergence of SUNY University Centers and the CUNY Graduate Center as significant contributors to doctoral output places additional strain on the system in a difficult period of readjustment.

Quite obviously, continuing assessments must be made of the future needs of graduate education in New York State. The Regents responded wisely to the emerging situation by declaring a moratorium on new Ph.D. programs for 1971-72, and have already commissioned a thorough review of needs and resources by a blue-ribbon committee. On the national level, the Carnegie Commission has argued that sufficient programs now exist to fill market demands for the foreseeable future. The Commission further reported that the proportion of undergraduates desiring to enter graduate school has dropped substantially in the last two years. Thus 1972 is an appropriate time for a sober reassessment of the future development of graduate education in the state.

ENROLLMENT PROJECTIONS

Graduate education, particularly doctoral education in the Arts and Sciences, is undergoing a period of adjustment to marked shifts in national policy and emerging manpower needs. The rapid expansion of the 1960's is a thing of the past, and the great need for the 1970's is for consolidation of achieved strengths and the stabilization of the system. In the adjustment process, as the Polytechnic Institute of Brooklyn and New York University will illustrate, universities will be placed under unexpected financial pressures. The institutions which were responsive to expressed national needs at the graduate level in the last decade are in an exposed stance, and care must be taken to devise both federal and state policy which will maintain the vigor and health of the universities which serve as a critical resource for both advanced education and research.

It is with some unease that the private sector views the latest enrollment forecasts of the State Education Department for masters and doctoral work.

Graduate Enrollment Forecasts by State Education Department (May 1972) (in thousands)

	1971-72	1975-76	1980-81	% Increase 1971-80
Total State	57.8	78.2	94.6	63.7%
Private Universities	39.9	50.6	56.0	40.3%
Public Universities	17.9	27.6	38.6	115.6%

Every indication at the present time suggests that forecasts for total growth of this magnitude are unlikely. The private institutions have reported an anticipated increase in their graduate enrollments to a total of 48,300 students by 1980-81, or a 21 percent increase for the decade... a figure under the total projected by the State Education Department for 1975. It is clearly desirable that the public institutions should expand their graduate programs as need is determined and quality is assured by the provision of the expensive ancillary services they require. But should the public sector expand by the magnitude suggested in the State Education Department predictions, enormous public expense may have been unnecessarily authorized.

The Council of Graduate Schools, in surveys of the major doctoral granting institutions, has recently indicated that current graduate enrollment has nearly levelled off, and that the number of doctorates to be awarded in the nation in 1975 is unlikely to be more than five percent greater than in 1972. It seems clear that the demand for persons who have recently received the Ph.D., and the demand by students for entry into doctoral programs, will grow at a much slower pace than we have experienced since 1945. Accordingly, the rate of expansion pictured in the projections above would in all likelihood create unneeded excess capacity in the State. Moreover, the projected expansion in public institutions, given the conditions of a reasonably steady state, would in all likelihood contribute substantially to a decline in enrollment in the private sector.

Doctoral level education is so expensive in terms of faculty resources, laboratories and library

expense that every effort should be made to insure a rational development of graduate programs. This will require a greater coordination among existing programs, and a careful review of proposals for new programs.

The State has a major stake in the continued well-being of existing graduate programs and their related research enterprises, even when such programs are in non-public institutions. The presence of talented scholars and researchers, the attraction of hundreds of millions of dollars of federal and philanthropic support for research and advanced training, and the service to industry and government in the State by the major universities, is one of New York State's great assets. It would border on criminal negligence to permit - much less contribute to - a deterioration in these long established university centers of learning.

We would urge the Regents to make a continuing assessment of likely manpower needs and institutional resources in the many areas of graduate education, with the hope of discouraging undue expansion in fields which are now adequately served and preventing burdensome contractions in fields where there are temporary surpluses. Universities are delicate instruments, much more capable of expansion than contraction. While the social costs of a too hesitant expansion to meet emerging manpower needs are not insignificant, the institutional and public costs of over-expansion can be devastating. The considerable deficits of the major private universities over the last several years have resulted in large measure from their exposure at the graduate level. The experience with engineering education in the New York Metropolitan area, and the agonizing readjustment that N.Y.U. is now undertaking in many areas, are important lessons for State and institutional planning. Nor are these isolated instances, as a review of the financial situation of other major private universities will attest.

We urge the Regents and other agencies of State government to view the graduate and professional endeavors of the independent universities as valuable public resources meriting the attention and support of the State just as importantly as do the complementary programs in the tax supported institutions. The experiences of the last year or two in several of the major private institutions should be viewed as distress signals warranting priority attention. The State cannot afford to lose the major educational and scientific advantage it has long enjoyed by the existence of the many distinguished graduate and professional schools within its borders.

We also wish to stress the critical importance of the "Bundy" formula aid to graduate and professional education. Particularly at this time of financial squeeze on the State's independent universities we would urge the Regents to give favorable attention to the recommendation for scaling up the aid formula both to reflect rising educational costs and to protect the fiscal well-being of the graduate enterprise. If the State is to maintain its historic strength in graduate and professional education, principally situated in the private universities, this matter should receive high priority.

ENGINEERING EDUCATION: A CASE IN POINT

No more telling example of the problem of extrapolating future demand from present conditions can be found than the dilemma now facing engineering education. And this is true of engineering programs in both the public and private institutions although the latter have been more seriously impaired by rising costs and falling enrollments.

This regrettable and potentially harmful condition is mainly attributable to the short-range problem of economic dislocation in certain defense and aerospace industries and the consequent (and highly publicized) shrinkage of employment opportunities in engineering fields. Gifted young men and women ordinarily disposed to sharpen their knowledge and skills in applied scientific fields have been discouraged from their choice by an employment condition that is unlikely to last for very long. It is unfortunate that a temporary dislocation in the economy may well visit serious damage upon our outstanding centers for engineering education.

There is no simple answer to this problem. We cannot and will not "compel" vocational choice in this free society and therefore we must wait until technological needs take on different definitions and these in turn impress themselves upon the aspirations of young people. But in the meantime, we simply cannot afford the deterioration of our private engineering centers; they will be vitally needed by a growing society in the years ahead.

It therefore seems wise to the Commission to recommend that serious consideration be given to the Regents' 1971 call for categorical aid to the private engineering schools and programs in the State. This recommendation departs from the general recommendations of this report for broad institutional aid to private institutions and increased direct aid to students. But the departure from this principle seems clearly

warranted by the emergency (however short-term it may turn out to be) now confronting our engineering programs. It may one day seem a travesty that one of the best engineering physical plants on the East Coast and a reputable faculty were permitted to cease serving the State in a period of temporary redundancy. Engineering education in the New York Metropolitan area is in need of emergency aid if the nation's wealthiest city is not to be permanently crippled.

OTHER PROFESSIONAL PROGRAMS

I. Medical Schools

There are eight private medical schools in New York State (Albany, Columbia, Cornell, Einstein, Mt. Sinai [developing], N.Y. Medical, N.Y.U., and Rochester). While New York's ratio of licensed physicians compares favorably with other states (1-517 in N.Y.; 1-539 in California; 1-637 in Florida), the major problem facing the State seems to be in discovering how to distribute their services more evenly throughout the society.

The medical schools have been steadily increasing their enrollments and expanding their clinical facilities through hospital affiliations. In 1967 the ten then fully operating schools graduated 994 students. By 1971, with moderate public support for expanded enrollments, the number of graduates reached 1,179. By 1972 we estimate that the number of graduates will increase to approximately 1,450. These estimates are conservatively based on projections by the private schools and include 25 graduates from the S.U.N.Y. at Stonybrook. By 1975 the total graduates should exceed 1,500.

The number of hospitals affiliated with the medical schools has been steadily increasing. In 1968-69 there were less than 50 hospitals affiliated with the eight private and three state schools. By 1970-71 the number had increased to 67, and together they cared for 32 percent of all the inpatients admitted to the 430 hospitals in the State. Thus the schools have greatly expanded their clinical facilities for teaching as well as significantly increasing service to their local communities.

The private schools, with their state contracts terminating in 1971-72, proposed to the Governor last spring that the program be continued, but because of increased costs, on the basis of $9,000, for each additional student instead of $6,000. It was further recommended that matching funds for construction also be maintained. To date, action has not been taken on this proposal.

With adequate base support and an incentive program, the private schools project a further expansion of the first year class to 1,010 by 1974-75, or an increase of 43 percent in the eight years since 1967. The State schools, with Stonybrook bringing the number to four, project a first year enrollment of 580 by 1974-75, or an increase of 39 percent over 1967.

New York State, according to the report of the Carnegie Commission on Higher Education, ranks fourth in per capita income and twenty-fifth among the states in expenditures for regular operating programs of medical schools. Last March the trustees of the private medical schools proposed to Governor Rockefeller that the State increase its capitation support. If the schools are to meet rising costs and expand their output of physicians, additional funds must be provided for their basic operations as well as for expanded classes. New federal aid is welcome and state support programs should be designed to complement federal aid at the present level of federal funding. However, state assistance remains critical to the continued strength of both private and public medical schools.

We believe that the private medical schools and their public counterparts can and will increase their output of physicians more rapidly than the population of the State is likely to increase. The effective delivery of health care remains a problem in the ghettos and rural areas of the state, and a major challenge to the medical schools and their teaching hospitals is the effort to devise organizational and incentive methods to improve medical services in such areas. Progress is being made, and with public support, there is no doubt that better medical care can be provided in these areas.

II. Schools of Dentistry

The benefits which can accrue from adequately supporting and extending the educational facilities of the private dental schools, New York University and Columbia, are obvious. The large pool of patients who flock to the clinics of these schools attest to the service these institutions have long performed and their public acceptance.

Over half of all New Yorkers enrolled in dental school now attend out-of-state schools. The State's dental manpower situation could be seriously jeopardized if out-of-state schools were to adopt admissions policies that would exclude large numbers of New Yorkers. The private schools, which have long trained two-thirds of the dentists in the State, could more effectively respond to the needs for increased dental manpower if adequate

capital funding and day-to-day support were available.

The private dental schools of this State graduate four times as many dentists as their public counterpart and thus serve as the major resource for dental health manpower as well as the principal agencies for a wide variety of educational opportunities for dental auxiliaries, foreign dental graduates, graduate and postgraduate training for specialty practice and higher degrees, and short courses for updating professional colleagues.

It is clear that the health and vitality of the citizens of the State are dependent upon the continuing health of the private dental schools now sustained by Columbia and New York University. The Commission therefore recommends that the private dental colleges be included with the medical schools in general capitation support program (as they now are for incremental aid for expanding class size). The private dental colleges have long survived with a shakey economy and represent a major exposure for their parent universities. Both Columbia and N.Y.U. dental schools have an enviable record of cost effectiveness in comparison with their public counterparts in this and nearby states, and yet their future is in doubt if their public service function is not clearly recognized by the State.

We believe that the development of dental education at Stonybrook should be closely coordinated with the private colleges, and that the State could advantageously develop cooperative and contractual arrangements that would strengthen dental education. Apart from Engineering, there is no other area of graduate and professional education that so critically needs attention and a clear definition of public responsibility if this area of education is not to languish.

III. Schools of Pharmacy

The three private pharmacy colleges in New York City (St. John's, Brooklyn, and Columbia's Colleges of Pharmacy), the private Albany College of Pharmacy, and the public program offered by the State University of New York at Buffalo are in the population density areas of the State or are readily accessible to them and therefore provide good geographic coverage.

Projected needs are now being met in the sense that all qualified applicants can gain admittance to a pharmacy college in the State though not necessarily to their first choice institution. It now appears that Columbia College of Pharmaceutical Sciences may ceast to operate, and it this should happen the metropolitan

New York area would be served by only two colleges of pharmacy.

There are no reliable data about the future pharmacy manpower needs for New York State, but it seems clear that the existing colleges can supply sufficient graduates to meet any foreseeable needs for pharmaceutical services in this State for the next decade.

The private pharmacy colleges in New York State have tended to concentrate on educating professional practitioners who will supply pharmaceutical services to the public in the community and in hospital and other health institutions. The public institution tends to place more emphasis on preparation for graduate programs and thus students are more likely to enter careers leading to employment in educational institutions, in the pharmaceutical industry, and in research.

The private colleges admit students into the five-year pharmacy program directly from high school and also accept transfer students from two and four-year colleges into the second and third year of the pharmacy program. The public college accepts students only into the third year of the pharmacy program. In the private colleges the student may therefore receive an earlier introduction to the profession. However, the first two years of the curriculum in the private colleges is sufficiently general to permit lateral movement of students into other fields.

The current impact of the serious cost differential between public and private education in the State has been felt in pharmaceutical programs as well. However, eligibility for Scholar Incentive awards insures that the most harmful effects of this problem could be eliminated by adoption of the Commission's proposed redrafting of the SIP legislation.

IV. Schools of Law

There are ten law schools in the private sector of New York State; they include some of the most distinguished in the country: Columbia, N.Y.U., Cornell, Fordham, St. John's, Syracuse, Albany Law School (Union), N.Y. Law School, Brooklyn, and Hofstra.

The pre-eminence of New York State in the legal profession of the United States reflects in part the large population of the State, in part the heavy concentration of national and international headquarters of major organizations of all types - industrial, commercial, financial, cultural, charitable, and governmental, and in significant part the State's distinction as a leading

center for legal education. Professionally, the large law firms in New York, particularly those in the City of New York, annually draw hundreds of graduates from law schools from all parts of the country who wish to profit from two or three years of internship in such firms before beginning separate practices elsewhere. Thus, the large needs of the State for legal services are met to some extent by alumni of many of the leading law schools in other parts of the country.

On the whole, the expanding needs of the country for legal education have been adequately met. In the fall of 1971, there were reports that many qualified applicants were unable to be admitted to any law school, and consequently there was wide-spread concern about the sufficiency of legal education opportunies in the State and in the country. However, it is not possible in the experience of a single year to determine whether this development is indicative of a long-range trend or simply a temporary upsurge dictated by the comparative drying up of career opportunities in other fields.

Legal education in the State of New York has been predominantly the concern of the private sector. Until the absorption of the University of Buffalo into the State University some ten years ago, all ten law schools in the State were private. Now there are eleven law schools, one of which (Buffalo) is in the public sector. The increased demand for legal education in the State in recent years has been met by modest increases in the enrollment of existing institutions and by the opening of a new law school at Hofstra University.

The Commission is persuaded that legal education in New York State is adequately served by existing institutions and programs. Public policy should therefore be addressed to the task of preserving their unusual strength even as assessments of need are continually updated. The phenomenal upsurge in law school application of the past few years could, by mid-decade, indicate a degree of permanence, in which case a revaluation of present plans for development will be called for.

V. Schools of Nursing

Twenty-one baccalaureate nursing programs are conducted by private colleges and universities in N.Y. State; five associate, or two-year programs are offered, and nine masters or doctorate programs are offered.[3]

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[3] Institutions offering the Baccalaureate programs are:

In addition to providing educational preparation for initial students in nursing, many of the private colleges also offer programs at the baccalaureate, masters and doctoral levels for nurses who are already licensed as professional nurses. These programs are essential not only for the preparation of teachers needed in nursing programs at all levels but also for the preparation of nursing administrators, clinical specialists and researchers.

It is clear that New York State has not fully resolved its continuing shortage of professionally trained nurses; in this failure lies one of the keys to the problem of providing a more equitable system of health care to the State's citizens. Of special importance in this regard is the need to increase enrollments at the graduate level, for it is in supervisory personnel and in highly qualified teaching faculty that the State's shortage is most conspicuous.

The State's private schools of nursing anticipate continuing leadership responsibility in this important respect. Enrollment increases at the baccalaureate and at master's and advanced graduate levels are contemplated at many of the State's private schools. It seems clear, however, that statewide coordination and mutual development of both public and private resources will have to be stepped up if progress is to be made on this most persistent and complicated problem.

VI. Schools of Theology

Seminaries of virtually every recognized denomination, including some of the most highly respected in the land, are to be found in New York State.

Most of these institutions are suffering the common malady of insufficient funds and budgetary contractions at the present time. New York Theological Seminary has drastically reduced its program and now

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Adelphi University, Alfred University, Columbia University, Cornell University, D'Youville College, Graduate School of Nursing N.Y. Medical College, Hartwick College, Keuka College, Richard L. Connolly of Long Island University, Molloy Catholic Collge, Mount St. Mary's College, New York University, Niagara University, Roberts Wesleyan College, Russell Sage College, Skidmore College, Syracuse University, University of Rochester, Wagner College. The Associate degrees are offered by: Junior College of Albany, Maria College, Pace College Westchester, Pace College New York City, Trocaire College.

operates on a balanced budget, but others are operating with deficits of some proportion, and are struggling to rectify them.

It is our judgment that the resources for theological education in New York are adequate. The American Association of Theological Schools has accredited some 180 theological seminaries and according to the listing, fourteen of these are in New York State (though Colgate Rochester, Bexley Hall and Crozier are considered to be one institution for administrative purposes).

The quality of education these institutions provide is beyond dispute: Union Theological Seminary is renowned throughout the western world and there are others of similar stature. Their primary task at this point in time is financial and the Commission can only join in the hope that they will succeed in solving their financial difficulties without sacrificing the high quality for which they are justly known.

VII. Other Programs

There are many other fields of graduate and professional training offered in the private sector - architecture, public administration, the performing arts, social work, journalism, etc. In each of these areas, except theology, there are also new or continuing programs in public institutions. With the exception of the performing arts, where the opening of the SUNY Purchase campus and recently announced plans at CCNY may make serious inroads on established programs at Columbia and New York University, these fields need not be singled out for attention. There are no particular evidences of acute manpower shortages or surpluses, and the programs in the private colleges appear to be reasonably healthy with the possible exception of Social Work. In this latter case, the pressures on the institutions for the admission of a larger percentage of students from economically disadvantaged backgrounds has coincided with the reduction of federal, state, city and voluntary agency student support, creating considerable financial pressure on the schools. We believe, however, that increased direct student aid through the SIP will tend to mitigate this temporary problem.

AN EPILOGUE ON GRADUATE AND PROFESSIONAL EDUCATION

It is a mistake to think of graduate and professional training solely in terms of the manpower needs they are designed to satisfy. This is a natural consequence of the obvious connection between advanced study and the world of professional activity for which it is a necessary preparation.

But one error lies in looking solely at the human product and thus missing the character of the process by which the trained professional emerges. The "process" is, to a considerable extent, original inquiry; it is research, the asking of questions about matters of importance and the systematic formulation of ways to test the validity of the answers proposed. The questions can range along the entire spectrum of human experience and human knowledge; the answers returned can have explosive relevance to our way of looking at ourselves or our world.

These are commonplace observations and warrant little elaboration in this report: anyone who has thought much about cultural history will readily grant the importance of formal inquiry in man's attempt to understand himself and the social and natural world he inhabits. We trouble to remind ourselves that it is the obligation of our university centers to develop our capacity to ask important questions about man and nature. Many now suppose that research and teaching are entirely distinct functions - perhaps even antithetical. This is not true. It is not true at the graduate level (where teaching cannot go on without original inquiry as its occasion) and it is equally untrue at the undergraduate level.

But we are talking about one of the major justifications of the university and one of the noblest and most rewarding of human activities. It is a serious error to confuse ourselves on this point by supposing that original teaching can long survive without the fresh criticism and new ideas coming to us all from laboratory and library and the learned presses of the world. It should be remembered that at the turn of the century American educators were persuaded that collegiate teaching had stagnated primarily because research and scholarly inquiry had not become part of the professional expectations of universities.

This is not a plea to society to support the conversion of our great universities into research institutes where relatively discrete and narrow problems of application can be systematically examined. It is, however, a reminder that we are singularly fortunate to have in our midst centers of international distinction in both teaching and research.

This is the final, even the crowning achievement of private higher education in New York State: to have elevated the quality of thought which is our coin and currency as a people through the agency of great centers of learning. We have a responsibility to insure this resource and the habits of mind it cultivates for the sake of a future we can only dimly perceive.

Chapter Seven

Summary and Recommendations

> ...a balanced system of higher education ...is already in jeopardy...timely employment of public initiative and support is required.

CHAPTER SEVEN: SUMMARY AND RECOMMENDATIONS

Higher education in New York State is in trouble. The valued partnership of private and public institutions serving together to meet the needs of the State's citizens is endangered by the financial plight now experienced by all collegiate institutions. Rapidly rising costs have outpaced increased revenues and, consequently, services have been severely curtailed at a time when the demand for higher education has become more and more insistent.

The private institutions have suffered the impact of this "academic depression" in its most acute form. Dependent in large part upon endowment income, annual gifts and student fees, the private colleges and universities have been forced to counter rising costs by vigorously controlling expenditures, by attempts to increase their gift income and, conspicuously, by raising student tuition charges. At the same time they have been required to add an increasingly higher percentage of their unrestricted income to unfunded student aid budgets to insure that their capacity to continue to enroll their fair share of students from all economic levels is not impaired. In spite of these efforts, the private institutions have not managed to avoid deficits (in some instances, crippling deficits) and they have not managed to stem the tide of falling applications. Unfilled spaces in our private colleges and universities can now be counted in the thousands and this has added a new and alarming dimension to the problem. At the same time not a few of these institutions, including some of the most distinguished, are now being forced to invade funds functioning as endowment in order to meet current operating expenses.

What is endangered in this cyclical process is much more than an idea. To be sure, that idea... that a balanced system of higher education involving both public and private institutions can best provide the variety and richness of resource required by the citizens of the leading state in the nation... is already in jeopardy. Its impairment really means that we are now standing on the threshold of losing, through financial insolvency, some of our private institutions. If present trends continue, they will either close or they will be incorporated at great cost into the public system. Still others, and their number cannot be ascertained, could very well lose, and shortly, their special claims to distinction. In other words, without immediate relief, some, even many, of our very best private institutions could fall back into mediocrity and New York State and the nation will have lost what we most

need: the standard-setting distinction of high quality.

To reverse this trend should not require massive expenditures of public funds; indeed, it is the saving characteristic of private higher education that it invites the broad participation of private resources to further its contribution to the public good. But the timely employment of public initiative and support is required.

On behalf of its 106 member institutions, the Commission on Independent Colleges and Universities makes the following specific recommendations for the 1972-76 period:

1. That New York State's system of direct institutional aid (The "Bundy Plan") be reaffirmed and its schedule of grants to private institutions funded, at the very least, at levels sufficiently high to reflect the erosion the program has suffered, through inflation, in the past four years.

The basic formula has not been altered since it was first proposed in January, 1968. Since that time the financial plight of the private sector has deepened under the impact of an inflationary factor totalling between 35 and 40 percent for the period. It is imperative that this unique program be preserved and enhanced. It has already made a substantial difference in quality and program range in all of our private institutions.

2. That the private two-year colleges be admitted to full partnership status in the State's effort to expand its network of community junior colleges by inclusion in the eligibility tables of the Bundy program.

There is no justifiable reason for excluding the non-sectarian two-year colleges from the Bundy program. Their programs are in many ways comparable to those the State is supporting through the community colleges and they warrant this recognition and support.

3. That the principle of "categorical aid" be reaffirmed and that the State's private college and university programs in engineering be added to those in the health-science fields as eligible for such aid.

It is clear that the field of engineering is presently suffering from an artificially-induced lapse in employment possibilities. No informed observer anticipates that society's longer-term need for trained

engineers has in any way been lessened. And yet the short-term loss in enrollment in engineering schools threatens the integrity of their programs at all levels. To avoid irreparable loss, the State simply must extend categorical aid to these programs without delay.

4. That the State's Scholar Incentive Program be rapidly expanded to make collegiate choice between public and private institutions less decisively centered upon family economic circumstances.

The crucial need at this point in time is to make private institutions again accessible to middle and low-income families. And this means that the enormous gap in the costs between private and public institutions must be closed. A formula of student aid designed to ameliorate the gross disparity in actual tuition costs has been outlined in Chapter Five of this report. At the very least we must reach this plateau of student assistance by the end of this four-year planning period. As interim steps the adoption of the Regents' proposed schedule (Position Paper #13) is absolutely essential in the next session of the legislature. Without remedial legislation of this kind, there can be no assurance that the flow of applications from the private to the public sector can be returned to balance.

5. That the Regents' Scholarship Program be continued as one of the principle vehicles for encouraging excellence and aspiration among our young men and women.

The Regents Scholarship Program is one of the most distinguished in the nation. It has an enviable record as one of the most impressive of all public efforts to encourage the scholarly ambitions of our young people. It should be continued and expanded as need dictates.

6. That the Regents create a second scholarship program specifically reserved for successful community and junior college graduates who wish to transfer to a four-year institution to complete a baccalaureate program.

It is true, of course, that many Regents Scholarship holders now matriculate at a community college for their first two years of study. They are thus able to continue as Regents scholars at the institution to which they transfer.

But what is wanted is a special award, earned in the record of the first two years in college, and speci-

fically designed to encourage the continuation of excellent beginnings. Articulated with a revised Scholar Incentive Program, this new transfer scholarship could be of primary assistance in encouraging the possibility of transfer into the private sector and thus could employ the resources of our private institutions in helping to solve the problems of the transfer student.

The six specific recommendations offered in this report of the Commission speak to the grave financial problems now menacing private higher education in this State. They therefore reflect the priority concern of all of our member institutions: how we are to finance our balanced system of higher education in New York must be the first question before us all.

That the private sector must be encouraged to continue to play a substantial role in the education of the people of this State is recognized by all. That it will not be able to do so if it continues to suffer the burden of increasing costs and higher and higher tuition is also a commonplace observation.

That the answer is to be found in a modulated program of direct State aid and a thorough-going liberalization of the Scholar Incentive Program seems clear. If students are enabled by the State to choose to attend a private college because the financial implications of that choice are no longer prohibitive, then the private sector has a reasonable chance to remain independent and viable. The conversion of the Scholar Incentive Program to a true or approximate voucher system is the most economical alteration in public policy now available to the agencies of the State government. We urge that conversion with all the high seriousness we can bring to it.

Accompanying this conversion, attention should be paid to the incentives now operating within the public system. For it is one thing to propose an SIP voucher system which will help divert students from the public to an underutilized private sector. It is another thing altogether to suggest this slowing of enrollment growth in the public sector if the first result will be the undercutting of qualitative development in our public systems and their constituent units.

In brief, the incentives for growth now operating in the public systems are formidable: without larger enrollment projections, appropriations level off and new developments, new appointments and new programs are substantially forfeited. This is a direct consequence of the relationship now obtaining between appro-

priations and enrollment.

Obviously this is a simplistic version of the problem. But attention must be paid to it. We cannot sensibly expect the public institutions to acquiesce in a balanced system if to do so is to frustrate their innovative energy: qualitative development must be encouraged and it must be detached, insofar as possible, from enrollment growth and per capita formula for appropriations. Appropriations formula should be devised which will encourage excellence and discourage intra- and inter-system competition for larger and larger enrollments. Without this voluntary check upon growth in the public sector, it will be very difficult indeed, even with an improved SIP formula, to restore an appropriate balance between the private and public institutions in the State.

Appendixes

. . . students . . . faculty . . . facilities . . . finance.

Appendix A

FULL-TIME EQUIVALENT STUDENTS
IN INDEPENDENT COLLEGES AND UNIVERSITIES

In the four-year period, 1967-1971, the independent institutions increased their full-time equivalent enrollment by 6.9 percent, from 242,000 to 258,000 students - while the total equivalent enrollment, public and nonpublic, increased by 30 percent. Among the independent institutions, over two thirds of the increase was among the four-year colleges and the remainder among the universities. The engineering and technical institutes stood still, while the other categories suffered losses.

For the four-year period, 1971-1975, the independent institutions estimate that their full-time equivalent enrollment will increase by 8.6 percent, to 280,000. More than half of this increase is anticipated by the four-year colleges, only a very modest 2.9 percent increase by the universities, and relatively large increases by the two-year colleges (29 percent), engineering and technical institutes (12 percent), and the remaining specialized institutions (12 percent).

By the fall of 1980, the independent institutions anticipate a full-time equivalent enrollment of 307,000 - an increase of 9.6 percent over 1975 and 18.9 percent over 1971. The increases estimated for the five years from 1975 to 1980 are shared proportionately equally among the five categories of institutions as shown below.

(1) The statistics on which the preceding summary is based are shown in Table A-1.

Table A-1 TOTAL FULL-TIME EQUIVALENT STUDENTS, 1967-80
(in thousands)

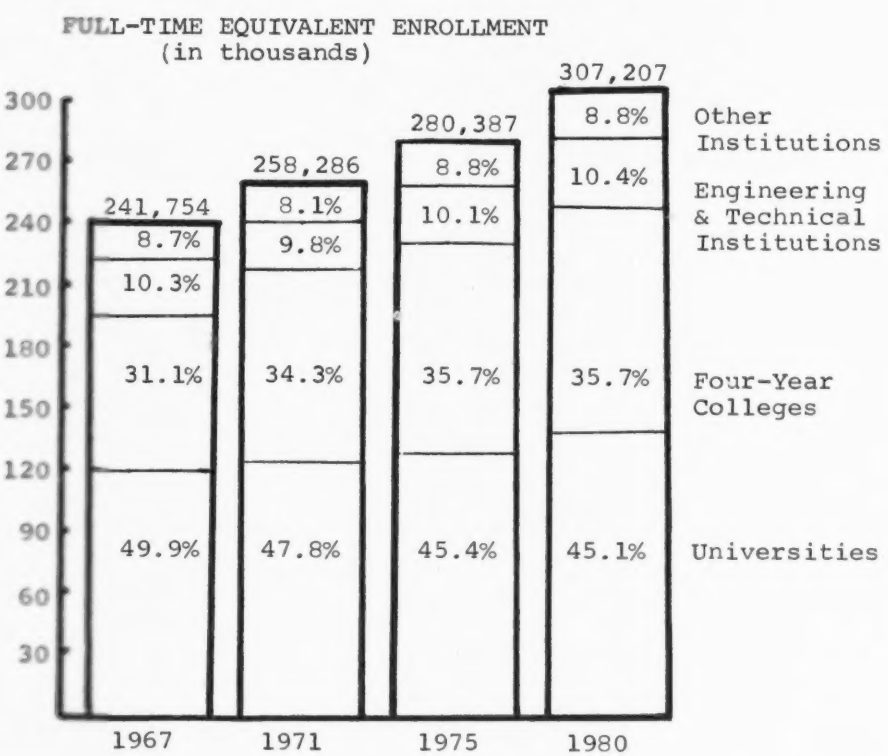
	TOTAL	Univ.	4-yr. Coll.	Eng.& Tech.	2-yr. Coll.	Spec.& Other
FALL, 1967	241.8	120.6	75.1	24.9	6.6	14.6
FALL, 1971	258.3	123.6	88.7	25.2	6.5	14.3
% Increase 1967-71	6.9%	2.5%	18.1%	1.2%	-1.5%	-2.1%
FALL, 1975	280.4	127.2	100.4	28.3	8.4	16.0
% Increase 1971-75	8.6%	2.9%	13.2%	12.3%	29.2%	11.9%
FALL, 1980	307.2	138.6	109.7	32.1	9.6	17.2
% Increase 1971-80	18.9%	12.1%	23.7%	27.4%	47.7%	20.3%

(2) Shifts in Distribution of Enrollment

There is no major shift in the distribution of the full-time enrollment between graduate and undergraduate enrollment, which remains about 81 percent undergraduate and 19 percent graduate throughout the entire thirteen-year period.

There is a gradual shift, however, in the distribution of full-time equivalent enrollment by category of institution. The Universities held 49.9 percent of the enrollment in 1967 and expect to hold only 45.1 percent in 1980. The shift is entirely to the four-year colleges, as shown in Table A-2.

Table A-2 DISTRIBUTION OF FULL-TIME EQUIVALENT ENROLLMENT IN NEW YORK PRIVATE INSTITUTIONS BY CATEGORY OF INSTITUTION FALL 1967/1971/1975/1980



(3) Institutional Projections of Enrollment

53 institutions plan to increase their enrollment by the fall of 1975. These represent a majority of the 94 institutions (constituting 93 percent of the full-time equivalent enrollment) which submitted usable projections. However, somewhat more than one-half of the net increase of 22,100 in FTE enrollment is provided by six institutions: Cornell, New York Institute of Technology, Pace, Rochester Institute of Technology, University of Rochester, and Syracuse.

40 institutions count on increasing their enrollment between 1975 and 1980. Two-thirds of the total net increase of 26,800 is provided by eight institutions: the six named above plus New York University and Long Island University-Brooklyn Center. Table A-3 gives additional details below.

Table A-3 FTE ENROLLMENT PROJECTIONS

No. of Inst.	FTE Enroll. 1971-72	During 1972-76	No. of Inst.	FTE Enroll. 1971-72	During 1976-80
12	15,100	Increase over 35%	10	12,300	Increase over 35%
15	18,600	Increase 21 to 35%	9	19,300	Increase 21 to 35%
13	31,900	Increase 11 to 20%	13	41,800	Increase 11 to 20%
13	33,400	Increase up to 10%	8	39,000	Increase up to 10%
29	93,800	No Increase	50	119,500	No Increase
12	46.800	Will Decrease	4	7,700	Decrease
41	18,700	Unknown	41	18,700	Unknown
135	258,300	1972-76	135	258,300	1976-80

(4) Comparison of State Department Enrollment Projections with Institutions' Estimates

The college and university estimates of enrollment call for more undergraduates in 1975 and 1980 than do the State Education Department's (SED) most recent estimates. The institutions expect to have 16,700 more full-time and 11,400 more part-time undergraduates in 1975 than estimated by SED - and 26,500 more full-time and 19,000 more part-time in 1980.

The institutions' estimates of graduate student enrollment, however, are less than the State Education Department's estimates - by 5,900 full-time and 1,000 part-time in 1975 and by 7,600 full-time in 1980.

Assuming the validity of the State Department's total estimates, their projections reduce the private sector's share of the total full-time undergraduate students in four-year colleges from 50 percent in 1971 to 45 percent in 1975 and 41 percent in 1980. The independent institutions estimate, however, that the 50 percent in 1971 will decrease only slightly to 49 percent in 1975 and 47 percent in 1980. See Table A-4 below.

Table A-4 STATE DEPARTMENT'S PROJECTIONS (SED) Vs. STATEWIDE MASTER PLAN ESTIMATES (SMP), 1971-1980

	1971	1975	1980
Full-Time Undergraduates			
Total as per SED	467.0	540.7	643.0
Private as per SED	177.0	177.5	184.3
% of Total	38%	33%	29%
Private as per SMP	177.0	194.2	210.8
% of Total	38%	36%	33%
Full-Time Undergraduates in Four-Year Institutions			
Total as per SED	342.5	383.0	433.8
Private as per SED	171.3	172.5	179.3
% of Total	50%	45%	41%
Private as per SMP	171.3	186.5	202.1
% of Total	50%	49%	47%

Appendix B FULL-TIME EQUIVALENT FACULTY

(1) The full-time equivalent faculty in the independent colleges and universities, numbering 21,800 in the fall of 1971, is expected to increase by 4.2 percent, to 22,700 in 1975 and by another 6.4 percent, to 24,200 in 1980 -- for a total increase of 10.9 percent between 1971-1980.

Over 42 percent of the faculty in 1971 were professors or associate professors, the ranks usually on indefinite tenure. This rises to almost 45 percent in 1975. See Table B-1 below.

Table B-1 FULL-TIME EQUIVALENT FACULTY

	Fall 1971		Fall 1975			Fall 1980		
	Prof.& Assoc. Prof.	Total	Prof.& Assoc. Prof.	Total	1971-75 Percent Change	Prof.& Assoc. Prof.	Total	1971-80 Percent Change
Universities	5409	11367	5802	11326	-0.4%	5968	12077	6.2%
Four-Year Colleges	2204	6167	2553	6664	8.1%	2733	7006	13.6%
Engineering & Tech.	871	2004	953	2143	6.9%	1029	2342	16.9%
Two-Year Colleges	96	474	158	504	6.3%	178	569	20.0%
Specialized & Other*	671	1780	691	2081	16.9%	698	2185	22.8%
TOTAL	9251	21792	10157	22718	4.2%	10606	24179	10.9%
PERCENT	42.3%	100%	44.7%	100%		43.8%	100%	

* Data not supplied by some institutions; and not all reported FTE Faculty. In these cases, conversion to FTE Faculty was approximated.

(2) Comparison of Growth of FTE Faculty with FTE Enrollment

The increase of 4.2 percent in full-time equivalent faculty for 1971-75 compares with an increase of 8.6 percent in full-time equivalent students during the same period. The five year 1975-1980 increase of 6.4 percent in faculty compares with 9.6 percent in students. This results in a slightly modified student faculty ratio: from 11.9 in 1971, to 12.3 in 1975, to 12.6 in 1980.

It should be noted that the universities, eleven in number, have over half of the faculty (see Table B-1) and inasmuch as these include the medical schools and 80 percent of the full-time graduate students in the private sector, the student faculty ratio is a relatively low 11 to 1. The 61 four-year colleges have 28 percent of the faculty with a student faculty ratio of 14.2 in 1971, 14.8 in 1975, and 15.4 in 1980.

Table B-2 below compares the faculty and enrollment projections by category of institution.

Table B-2 COMPARISON OF GROWTH OF FTE FACULTY & FTE ENROLLMENT

	1971 to 1975		1975 to 1980		1971 to 1980	
	Faculty	Enroll	Faculty	Enroll	Faculty	Enroll
Universities	-0.4%	2.9%	6.6%	9.0%	6.2%	12.1%
Four-year Colleges	8.1%	13.2%	5.1%	9.3%	13.6%	23.7%
Engineering & Tech.	6.9%	12.3%	9.3%	13.4%	16.9%	27.4%
Two-year Colleges	6.3%	29.2%	12.9%	14.3%	20.0%	47.7%
Specialized & Other	16.9%	11.9%	5.0%	7.5%	22.8%	20.3%
TOTAL Statewide	4.2%	8.6%	6.4%	9.6%	10.9%	18.9%

Appendix C

FACILITIES

On the campuses of the independent colleges and universities, an increase of 7 million in total Net Assignable Square Feet (NASF) is projected in the 1972-76 period. This represents an increase of 13.5 per cent over existing NASF. The non-residential part of this increase is 5.7 million NASF and is made up mainly of 1 million in study facili.ies (mostly libraries); 800,000 in classrooms; 600,000 in supporting facilities (60 percent of which is for two garages); 570,000 in laboratories; 550,000 in medical care.

Almost 75 percent of the new non-residential NASF is scheduled for completion in 1972, 1973, or 1974. Most of this is already under construction. The other 25 percent scheduled for completion in 1975-76 is presumably well under way in the planning and design stages.

The residential increase is 1.2 million NASF, or 6.3 percent of the existing facilities. This is accounted for mainly by a dozen institutions, the largest of which are: RIT Institute for the Deaf (335,000 NASF), Nazareth (172,000), RPI (86,000), Pace (86,000), NYU Dental (63,000).

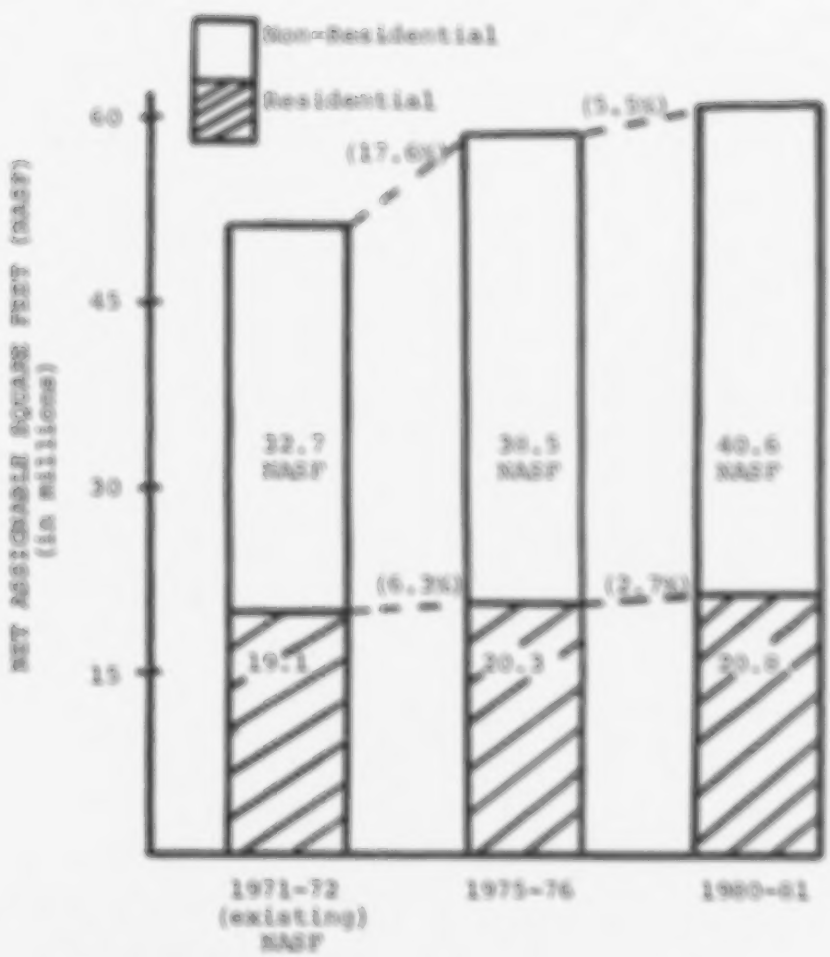
Interestingly, a dozen institutions all in New York City are responsible for 2.8 million NASF of the additional facilities in 1972-76, equivalent to 40 percent of the total statewide increase. The three largest contributors are N.Y.U. (737,000 NASF), N.Y. Medical (535,000), and Pace (421,000).

In the second planning period, 1976-1981, only 2.6 million additional NASF are projected; an increase of 4.5 percent. These include mainly 375,000 NASF for classrooms, 300,000 for laboratories, 250,000 for study facilities, and 450,000 for residential. These added facilities, on top of those added in 1972 to 1976, are to help, of course, ready the independent institutions for the growth of almost 50,000 additional FTE students projected for 1980. Also, it is important to note that the regular inventories of the State Education Department have shown a relatively large amount of the facilities at the private institutions to be aged. As of the Fall of 1969, almost half of all of the facilities were 40 years or more old. More specifically, 11.2 million gross square feet - or 13 percent of the total - were built prior to 1900. And 20.2 million, or 23 percent, were built between 1900 and 1929.

Table C-1 below charts the growth of facilities projected for 1972 to 1980.

Table C-1

FACILITIES IN PRIVATE INSTITUTIONS OF HIGHER EDUCATION IN NEW YORK STATE, FALL 1971, 1975, 1980



(2) Facilities and Unused Capacity

It was said above that the additional facilities projected for 1972 to 1980 were to help the private institutions accommodate the 50,000 additional FTE students projected for the same period. This seems to be in conflict with the findings of a survey by the Commission on Independent Colleges and Universities in December, 1971 in which 90 private institutions declared that they will be able to accommodate additional full-time enrollments of 56,000 (including 14,000 graduate students) in September, 1972, over and above their anticipated enrollments. If these facilities already exist, why build more? Three statements may help to clear up this apparent conflict. Some of the new facilities are, of course, being readied for 1972-73 and, hence, contribute to the vacancy figure of 56,000. Also, some of the vacancies - but a relatively small percentage - are necessarily limited to engineering and programs other than arts and sciences. But mainly, however, the disparity lies in the fact that 25,000 of the vacancies rest in New York City institutions.

The Commission's study was not a survey of total capacities as such, but one which asked the colleges and universities how many additional students they would be able and willing to take in accordance with their own institutional policies and standards. The institutions were asked to (a) confine their estimates to full-time students, (b) assume not adding to physical facilities (unless in a very minor way), (c)assume being able to get additional faculty members, if needed.

Approximately 111 private campuses (105 institutions) were contacted. 100 responded. 10 reported that they expected to be able to accommodate no additional enrollments. The 90 who reported expecting vacancies estimated that they would be able to accommodate:

13,749	Freshmen
10,029	Sophomores
18,072	Upper division
41,850	Total Undergraduate
11,573	Master's
2,385	Other graduate and professional
55,808	Total expected vacancies

Table C-2 on the following page gives more details.

Table C-2 ADDITIONAL FULL-TIME ENROLLMENTS THAT CAN BE ACCOMMODATED IN THE INDEPENDENT COLLEGES AND UNIVERSITIES IN THE FALL OF 1972

Region	No Inst.	UNDERGRADUATE Frosh	Soph	Upper Div	Total	GRADUATE Total	College Housing Available	PROGRAM LIMITATIONS (Approximations)
FOUR-YEAR								
Western	8	862	670	1037	2569	650	858	Mainly Arts & Sci.
Genessee Valley	8	1267	701	1507	3475	600	1612	Engineering - 13% Arts & Sci. - 87%
Central	5	335	756	1332	2423	700	2810	Engineering - 24% Architecture- 3% Arts & Sci. - 73%
Northern	2	354	318	235	907	40	165	Engin., Arts & Sci.
Northeast	12	1025	766	880	2671	391	801	Engineering - 18% Arts & Sci. - 82%
Mid-Hudson	15	1634	1200	2455	5289	670	1904	Mainly Arts & Sci.
N.Y. City	23	5085	3801	7446	16132	8693	2844	Engineering - 8% Architecture - 1% Arts & Sci. - 91%
Long Island	8	2055	1190	3380	6625	2214	400	Mainly Arts & Sci.
TOTAL 4-YR.	81	12617	9402	18072	40091	13958	11394	
TWO-YEAR	9	1132	627	---	1759	---	444	
TOTAL STATE	90	13749	10029	18072	41850	13958	11838	Engineering - 7.0% Architecture - 0.3% Arts & Sci. - 92.7%

(3) Facilities for the Housing of Undergraduates

Some interesting data on the housing of their present and projected undergraduate student body were obtained from 69 independent colleges and universities. These institutions have 168,400 undergraduates (full-time and part-time) and expect to enroll an additional 14,600 by 1975. [1]

In the fall of 1971, 43 percent of the undergraduates were housed in residences owned or controlled by the institutions. For the universities this was 36 percent, and for the colleges, 50 percent. Nine percent resided in other housing and 48 percent commuted. In the universities, 52 percent of the undergraduates commuted and in the colleges, about 45 percent.

The additional 14,600 undergraduates projected by 1975 are expected to be 56 percent commuters, 40 percent residents in college owned or controlled housing, and 4 percent in other housing. Of interest is the fact that the additional 5,800 to be housed in college owned residences represents an 8 percent increase, while new residential facilities for the entire private sector are estimated to increase 6.3 percent by 1975.

Table C-3

HOUSING FOR UNDERGRADUATES
(by 69 institutions)

	As Housed in Fall, 1971		Add'l Students by 1975 to be housed	
College Owned or Controlled Housing	73,300	43%	5,800	40%
Other Housing	14,800	9%	500	4%
Commuting	80,300	48%	8,300	56%
Total	168,400	100%	14,600	100%

[1] The 69 institutions seem to be a good cross section of the private sector, representing 76 percent of all undergraduates and 78 percent of the projected increase in the total private undergraduate body by 1975.

Appendix D

FINANCIAL PERFORMANCE IN TERMS OF OPERATING DEFICITS OR SURPLUSES

In submitting estimates of their financial outcomes for the current year 1971-72 and the next four years, some of the institutions registered a deficit for all five years, some indicated a deficit for one or two or three years, and some forecasted no deficits for any of the five years. Because of the many variations that were received, an attempt was made to assess rather simply - perhaps too simply - the overall situation by defining an institution in financial difficulty as one that projected a deficit for each of the five years or that projected a deficit for three or four years and seemed to arrive at a non-deficit position in 1975-76 that appeared to be precarious. At the same time, several institutions seemed to be in a "gray" area, neither definitely red nor definitely black, for the five-year period. Then too the uncertainties of forecasting make assessment extremely difficult. Hence, defining an institution now as not in financial difficulty does not mean that it may not be in trouble or get into difficulty soon.

(1) Current Deficits

As a matter of first importance, 56 institutions anticipate deficits of $39.3 million in 1971-72. Of these, 38 received State (Bundy) aid.

Table D-1 INSTITUTIONS ANTICIPATING DEFICITS IN 1971-72

	Total Number	State Aided	Anticipated Deficits 71-72 (in thousands)
Multiversities	5	5	$ 25,850
Universities	4	3	1,580
Colleges	28	20	6,046
Engin. & Tech.	6	6	2,560
Two-year Colleges	7	0	1,539
Other	6	4	1,709
TOTALS	56	38	$ 39,284

(2) Institutions in Financial Difficulty

Not all of those estimating deficits in 1971-72 are considered to be in financial difficulty as defined above. The break-down of institutions into those in financial difficulty and those not in financial difficulty is rather an arbitrary one, based on their projecting a deficit for each of the five years, 1971 to 1976, or a deficit for three or four years and a precarious balancing of budget by 1976.

Of the 91 institutions (93 campuses) for which usable information was available, the campuses in financial difficulty numbered 53 with 161,000 full-time equivalent students and the campuses not in financial difficulty numbered 40 with 77,900 full-time equivalent students. Together they represent over 92 percent of the total private sector's enrollment.

State aid was received in 1971-72 by 36 of the 53 institutions considered to be in financial difficulty and by 23 of the 40 defined as not in financial difficulty.

Table D-2 INSTITUTIONS DEFINED AS IN FINANCIAL DIFFICULTY

	In Financial Difficulty			Not in Financial Difficulty		
	No.	State Aided	FTE Students	No.	State Aided	FTE Students
Universities	8	7	95,200	4	4	24,710
Colleges	27	19	41,100	24	14	39,540
Engin.& Tech.	6	6	16,380	2	2	8,380
Two-Year Coll.	6	-	2,640	6	-	3,080
Other	6	4	5,700	4	3	2,23[illegible]
TOTALS	53	36	161,020	40	23	77,940

(3) Future Deficits

The 53 institutions deemed to be in financial difficulty anticipate deficits of $36 million in 1971-72 and almost $37 million in 1975-76. Their cumulative deficits for the five years, 1971 to 1976, will be $193 million.

Table D-3 FUTURE DEFICITS OF INSTITUTIONS IN FINANCIAL DIFFICULTY

		Deficits (in thousands)		
	No.	1971-72	1975-76	Cumulative 1971-76
Multiversities	2	$20,300	$16,000	$101,600
Universities	6	7,100	5,700	28,800
Colleges	27	3,800	4,700	18,200
Engin. & Tech.	6	2,000	6,100	25,800
Two-Year Coll.	6	1,400	500	3,700
Other	6	1,500	3,800	14,900
TOTALS	53	$36,100	$36,800	$193,000

(4) Institutions Not in Financial Difficulty

The 40 institutions considered, for purposes of this assessment, as not in financial difficulty estimate that they will have a net deficit of $318,000 in 1971-72, a collective surplus of $4.4 million in 1975-76 (or an average of $110,000 per institution) and a collective cumulative surplus of $15 million for the five years 1971 to 1976 (which translates into an average surplus of $75,000 per year for each of the five years for each institution).

Table D-4 FUTURE SURPLUSES OF INSTITUTIONS NOT IN FINANCIAL DIFFICULTY

		Surpluses (in thousands)		
	No.	1971-72	1975-76	Cumulative 1971-76
Universities	4	$ 660	$ 980	$ 5,170
Colleges	24	(460)	2,100	7,090
Engin. & Tech.	2	(470)	600	830
Two-Year Coll.	6	(55)	750	1,710
Other	4	7	18	234
TOTALS	40	$(318)	$4,448	$15,034

Appendix E

THE AVAILABILITY OF UNRESTRICTED FUNDS

The independent colleges and universities were requested to report the amount of funds they held at the close of fiscal year 1971 that could be used for deficits or emergencies. These would consist usually of unexpended current funds and funds functioning as endowment. Almost all of the institutions supplied the information. 89 reported that they held $403 million of such funds. This could be reported as follows:

Inst.	Amount of Unrestricted Funds	Total Millions
8	Over $10 million	$ 337
10	Between $2 and $10 million	42
71	Less than $2 million	24
89		$ 403

(1) Institutions in Financial Difficulty

The institutions defined as in financial difficulty held $360 million of the $403 million unrestricted funds which were reported. Table D-3 showed that 53 institutions in financial difficulty anticipated cumulative deficits of $193 million for the five-year period, 1971-1976. A study of these institutions revealed that (a) 28 of them could not cover their anticipated cumulative deficits of $93 million because their unrestricted funds at the beginning of 1971-72 amounted to only $24 million, (b) 21 could cover their five-year deficits of $90 million, and (c) for the remaining four, with deficits of $10 million, information on unrestricted funds on hand was not available.

Table E-1 on the following page summarizes the above information.

Table F-1

UNRESTRICTED FUNDS AVAILABLE TO INSTITUTIONS IN FINANCIAL DIFFICULTY
($ in millions)

	Not Able to Cover Deficits			Able to Cover Deficits		
	No.	Cum. Def. 1971-6	Unrest. Funds 1971	No.	Cum. Def. 1971-6	Unrest. Funds 1971
Multiversities	1	$54.0	$17.0	2	$53.2	$236.8
Universities	2	4.7	.8	3	18.4	24.4
Colleges	18	14.7	4.8	9	3.4	12.8
Engin.& Tech.	2	14.9	-0-	4	10.9	55.9
Two-Year Colleges	4	2.8	.6	2	1.0	1.3
Other	1	1.9	.8	1	2.8	4.5
	28	$93.0	$24.0			
Other	4	10.2	NA			
	32	$103.2	$24.0	21	$89.7	$335.7

(2) Institutions Not in Financial Difficulty

The sections above state that the independent institutions of higher education reported that they held in 1971 $403 million in unrestricted funds available to meet future deficits and that 49 of the 53 institutions in financial difficulty held $360 million of these funds.

The remaining 40 institutions included in our analysis, which are not in financial difficulty, reported $43 million available in unrestricted funds. These may be broken down as follows:

Inst.	Amount of Unrestricted Funds	Total Millions
2	Over $10 million	$ 21.2
6	Between $1 and $5 million	16.7
4	Between $500,000 and $1 million	2.6
28	Under $500,000	2.5
40		$ 43.0

Appendix F PROJECTED INCOME AND EXPENDITURES

The table below summarizes the sources of income and categories of expenditures for private colleges and universities in New York State for the three "benchmark" years of 1971-72, 1975-76, and 1980-81 of the planning period. Total income of $1.2 billion in 1971-72 increases 20 percent by 1975-76 and another 23 percent by 1980-81. Total expenditures and transfers increase at an almost identical rate: 19 percent by 1975-76 and another 23 percent by 1980-81. In both cases, the nine-year increase is about 46.5 percent.

Table F-1 SUMMARY OF PROJECTED INCOME AND EXPENDITURES FOR PRIVATE COLLEGES AND UNIVERSITIES IN NEW YORK STATE ($ in millions)

	1971-1972		1975-1976		1980-1981	
Income	Amount	Per-Cent	Amount	Per-Cent	Amount	Per-Cent
Tuition and fee income	$ 545.9	45.2%	$ 690.4	47.8%	$ 884.7	49.9%
Endowment income	60.1	5.0	71.2	4.9	81.4	4.6
Gift income	58.7	4.9	68.4	4.7	79.0	4.5
Other educational and general income	344.6	28.5	377.2	26.1	444.0	25.0
Total educational and general income	1009.3	83.6	1207.1	83.5	1489.1	84.0
Student aid	45.1	3.7	51.9	3.6	60.2	3.4
Auxiliary enterprises	152.5	12.7	184.4	12.9	224.2	12.6
TOTAL INCOME	$1207.0	100.0%	$1443.4	100.0%	$1773.5	100.0%
Expenditures and Transfers						
Educational and general expenditures	958.8	77.9	1138.4	77.8	1411.4	78.3
Student aid grants	95.9	7.8	113.8	7.8	136.4	7.6
Auxiliary enterprises	150.7	12.3	183.6	12.6	225.3	12.5
TOTAL EXPENDITURES	$1205.4	98.0%	$1435.8	98.2%	$1773.0	98.4%
Transfers	24.4	2.0	26.7	1.8	28.7	1.6
TOTAL EXPENDITURES AND TRANSFERS	$1229.8	100.0%	$1462.5	100.0%	$1801.8	100.0%

(2) Income

To compare the growth of the three basic sources of income - tuition and fees, endowment income, and gift income - with the growth of expenditures, sponsored research and separately budgeted programs have been removed from the Educational and General (E & G) expenditure figure in Table F-1 in order to obtain a figure more directly related to the instructional programs.

Table F-2 below shows that endowment income and gift income, while increasing rather substantially in absolute dollars, fall off percentagewise in relation to the adjusted E & G expenditures. But tuition and fees increase very significantly in relation to E & G expenditures.

Table F-2 BASIC SOURCES OF INCOME AS A PERCENTAGE OF EDUCATIONAL AND GENERAL EXPENDITURES

Source	1972	1976	1981
Tuition and fee income	71.4%	75.0%	76.1%
Endowment income	7.9	7.7	7.0
Gift income	7.7	7.4	6.8
Net educational and general expenditures (excluding sponsored research, et al.)	-- (thousands) $763,954	$920,836	-- $1162,128

It is of importance to note that the aggregate of tuition, endowment income, and gift income in 1975-76 is $165 million or 25 percent higher than in 1971-72. This is more than enough to cover the increase of $157 million, or 20 percent, in adjusted E & G expenditure for the same period. For the five years ending 1980-81, the three income sources are to bring in an additional $215 million compared with an E & G expenditure increase of $241 million.

(3) Tuition and Fees

The percentage increase in total tuition and fee income - 26 percent - for the 1972-76 period is almost three times as great as the projected increase of nine percent in full-time equivalent enrollment. The substantial increase in income from tuition and fees and the increased reliance on this source of income

results from substantial increases in student charges by virtually all the institutions submitting Master Plans.

Tution and fee income continues to increase another 28 percent during the five-year period 1976-81. Altogether the nine-year increase for 1972-81 will be 62 percent.

On an average basis, weighted for the respective enrollments, the student tuition and fee charges for undergraduates at each classification of institution are:

WEIGHTED AVERAGE TUITION AND FEE CHARGES

Category	1971-1972	1975-1976	1980-1981
Multiversities	$2,710	$3,341	$4,275
Universities	1,984	2,555	3,104
Colleges	2,148	2,604	3,065
Engineering and Technical Schools	2,186	2,518	2,932
Two-year Colleges	1,145	1,627	1,990

Total weighted average student tuition and fees for each category of institution show increases ranging from 15 percent to 42 percent in the 1972-76 period. Of significance also is the spread in student charges from the lowest to the highest category. In 1971-72, the spread is $726 between universities and multiversities. This rises to $786 in 1975-76 and to $1,155 in 1980-81.

(4) Endowment Income

The $60 million of endowment income reported for 1971-72 is projected to increase by $11 million, or 19 percent, in 1975-76 - and by another $10 million, or 14 percent, in 1980-81 - for an overall increase of $21 million, or 35 percent, for the nine years.

At first blush it would seem that the increasing of endowment income by $21 million over the next nine years would require the raising of $400 million in endowment or principal (on the basis of an average annual return on investments of five percent). But there are factors such as annual growth in common stocks and reinvestments of low-coupon portfolios that could produce rather substantial increases in endowment income without

the addition of new endowment principal. Indeed, under one set of reasonably good and reasonably conservative investment results, almost the entire $21 million in income needed over the next nine years could be secured without adding to endowment principal.

The very serious factor, however, is that probably most of the additional $21 million income must be available for generally unrestricted purposes so as to help meet the inflationary factors affecting salaries and services. If this is the case, then the answer on new monies will be affected by the proportion of presently-held endowment funds that is not highly restricted.

There is no answer, of course, that can be applied to most of the private institutions. For the private sector as a whole, perhaps it is reasonable to assume that $21 million in additional endowment income by 1980-81 will call for campaigns to raise $250 to $300 million of endowment pricipal - but their income must be available for generally unrestricted purposes.

(5) Gift Income

The colleges and universities reported estimated receipts of $59 million in gift income during 1971-72. Under university fund accounting, gift income usually means gifts for current purposes only and thus excludes gifts for buildings and plant, endowment and loan funds. Further, if our second assumption is correct that the budget expense forecasts provide for few, or no, expenditures for new restricted purposes, then the additional gift income has to be largely available for current and generally unrestricted use.

The $59 million in gift income estimated for 1971-72 is projected to increase about $10 million, or 16 percent, by 1975-76 - by another $10 million plus, or 15 percent, by 1980-81 - for a total increase of $20 million, or 35 percent, during the nine years. This represents an average increment of something over three and one half percent each year - the most difficult part of which could be to raise most, if not all, of the new money for current and generally unrestricted use.

Note: The figures in Table F-1 and in this Appendix F include the data from 90 colleges and universities. Master plans were received from 100 insitutions, but ten of them were received too late to be included in this analysis.

Appendix G

STUDENT FINANCIAL AID

The independent colleges and universities were asked to provide information concerning the student financial aid administered by them and certain of the aids received directly by their students. Eighty-nine of them responded with usable data. They reported that in 1971-72 they had administered from funds under their control, $179 million in student aid and, in addition, they knew of some $54 million received by their students in the form of Regents scholarships, Scholar Incentive grants, other scholarships and loans. This total of $233 million does not include what are undoubtedly rather substantial amounts of student aid through G.I. Bill, Social Security, Disabled and other special benefits. Hence the total of $233 million must be regarded as a figure for student aid on the rather low side.

(1) Ratios of Grants to Loans to Employment

The $179 million in aid administered by the institutions was divided: 53 percent in grants, 37 percent in loans, and 10 percent in employment. The reported total of $233 million, including $54 million in aid received directly by the students, was even more favorably balanced in favor of the students - with 61 percent in grants, 31 percent in loans and 8 percent in employment.

The ratios of grants to loans to employment varied, however, by categories of institutions. For example, in administering the aid under their control, the universities disbursed 60 percent of their aid in grants and 33 percent in loans - while two-year colleges awarded only 20 percent of their aid in grants and 60 percent in loans. The following table shows the variations by type of institution.

Table G-1 STUDENT AID ADMINISTERED BY INSTITUTIONS, BY TYPES OF AID, 1971-72

	Total Aid Administered (in millions)	Grants	Loans	Employm't.
Universities	$101.3	60%	33%	7%
Colleges	49.0	45	45	10
Engin. & Tech.	18.0	39	48	13
2-year	1.5	20	60	20
Special	9.2	49	21	30
Total	$179.0	53%	37%	10%

(2) Aid per Full-Time Equivalent Student

The financial aid per full-time equivalent (F. T.E.) student in 1971-72 averaged $412 in grants administered by the institutions - $780 in grants, loans and employment administered by the institutions - and $1015 per F.T.E. student when the known aid distributed directly to the student is added to the institutional aid. These are rather substantial figures when it is realized that (1) they are averages for all F.T.E. students including the considerable number who received little or no aid, and (2) they do not include the aid from G.I. Bill, Social Security, Disabled and other special benefits.

The university students as a group received much larger amounts of aid than did the other categories of institutions (except for the"Other" category which is not representative, since it includes only five specialized institutions). The following table shows financial aid per student at the several categories of institutions.

Table G-2 FINANCIAL AID PER FULL-TIME EQUIVALENT STUDENT, 1971-72

	F.T.E Students Involved	Amount of Aid per Full-Time Equivalent Student		
		Inst. Grants	Inst. Total Aid	Inst. and Direct Student Aid
Univers.	115,700	$523	$ 876	$1,124
Colleges	80,500	273	609	844
Engin. & Tech.	24,800	297	726	886
2-yr. Colleges	2,700	110	546	808
Other	5,700	778	1,618	1,849
Total	229,400	$412	$ 781	$1,015

(3) Aid as Percentage of Tuition and Fees

The student aid of $179 million administered by the institutions represented 32 percent of the tuition and fees received in 1971-72 by these same institutions. Adding the known aid received directly by their students increases the percentage of tuition and fees to 41 percent. The break-down by type of institution follows.

Table G-3 STUDENT FINANCIAL AID AS A PERCENTAGE OF STUDENT TUITION AND FEES, 1971-72

	As Percentage of Tuition & Fees	
	Aid Administ. by Inst.	Institutional Aid Plus Aid Direct to Student
Universities	34%	43%
Four-year Colleges	29	40
Two-year Colleges	19	28
All Other	32	39
Total	32%	41%

(4) Unfunded Student Aid

One of the deeply important factors affecting the financial condition of the independent colleges and universities is the unfunded student aid, the aid that is derived from their own general operational funds, their own nonrestricted income. Out of the $94.5 million in student aid grants administered by the institutions in 1971-72, $43.3 million was funded from gifts, endowment income, federal programs, etc. - but $51.2 million was unfunded. The 93 institutions which supplied usable data also reported that their unfunded student aid would rise to over $62 million in 1975-76.

The five multiversities (Columbia, Cornell, NYU, Rochester, Syracuse) awarded $22.6 million in unfunded aid or 44 percent of the total.

In Appendix D, 93 private institutions were divided into 53 that are deemed to be in financial difficulty and 40 that are not. Out of the $51.2 million total unfunded aid, $37.8 million was disbursed by the 53 institutions in financial difficulty.

In each of the 53 cases, the reported deficits in 1971-72 and in 1975-76 were matched with the respective amounts of unfunded student aid in those years. It was found that the amount of unfunded aid in 29 of the 53 institutions was enough to cover their respective deficits in both years. In other words, these 29 institutions (which included 6 universities and 20 colleges) would operate in the black in 1971-72 and 1975-76 if they did not have to reach into their own non-restricted income for aid to students.

The table which follows shows the amounts of aid for each category of institution.

Table G-4 UNFUNDED STUDENT AID IN 1971-72, BY TYPE OF INSTITUTION

	Unfunded Student Aid by Institutions			
	In Financial Difficulty		Not in Financial Difficulty	
	No.	In Millions	No.	In Millions
Universities	8	$27.2	4	$ 4.7
Colleges	27	7.7	24	6.1
Engin. & Tech.	6	1.5	2	2.3
2-yr. Colleges	6	.3	6	.1
Other	6	1.1	4	.1
	53	$37.8	40	$13.3

Appendix H

DEBT AND DEBT SERVICE

The independent colleges and universities were requested to report the amount of their long term and short term debt and the amount of their annual debt service (for interest, repayment of principal, and reserves where necessary). Eighty-nine reported total indebtedness of $814 million in 1971-72 and annual debt service of $57.4 million of which $23.7 million, or 41 percent applied to residence and dining halls and other auxiliary enterprises. The sizes of the debt may be summarized as follows:

Inst.	Amount of Indebtedness	Total Millions
9	Over $25 million	$438
16	Between $10 and $25 million	193
15	Between $5 and $10 million	97
31	Between $1 and $5 million	82
12	Under $1 million	4
5	Zero	--
88		$814

The nine institutions with indebtedness of over $25 million each included the five multiversities, two universities, one college and one technical institute.

The average debt per full-time equivalent student was $3,400 in 1971-72. It seems coincidential that this average was almost identical for each of the three large groups of universities, colleges, engineering, and technical schools.

The 88 institutions reporting estimated that their total debt would rise about seven percent to over $870 million in 1975-76.

The 53 institutions deemed to be in financial difficulty (see Appendix D) held $605 million in indebtedness or 75 percent of the total.

(2) Annual Debt Service

The 88 institutions reported annual debt service of $57.4 million in 1971-72 of which $23.7 million or 41 percent applied to auxiliary enterprises. The sizes of the debt service are as follows:

Inst.		Millions
5	multiversities	$ 20.7
7	others over $1 million each	13.9
20	between $500,000 and $1 million	14.7
56	less than $500,000	8.1
88		$ 57.4

Total annual debt service of $57.4 million is equivalent to six percent of total educational and general (E & G) income. Removing that portion applicable to auxiliary enterprises reduces the percentage to 3.5 percent of total E & G income. The $23.7 million of debt service applicable to auxiliary enterprises represents 16 percent of total auxiliary enterprises expenditures for 1971-72.

The 53 institutions deemed to be in financial difficulty carried $41 million of annual debt service or 71 percent of the total.

The following table gives additional details:

Table H-1

TOTAL INDEBTEDNESS AND ANNUAL DEBT SERVICE BY TYPE OF INSTITUTION, 1971-72

	Long and Short Term Debt		Annual Debt Service	
	All Inst.	Inst. in Financial Difficulty	All Inst.	Inst. in Financial Difficulty
Multiversities	$300.6	$300.6	$20.7	$20.7
Universities	110.4	49.9	7.4	3.2
Colleges	272.2	161.8	20.1	11.7
Engin & Tech.	93.3	69.3	7.8	4.1
Two-Year Colleges	17.6	12.9	1.5	1.2
Other	19.9	10.6	NA	NA
	$814.0	$605.1	$57.5	$40.9

Appendix I

NEW PROGRAM OFFERINGS (by field and level) 1972-1980

	LEVEL						
FIELD	AA and Cert.	BA BS New Major New Studies	MA MS	Ph.D.	Misc.	TOTAL Add	Drop
PROFESSIONAL [1]							
ADD	28	125	50	7	4	214	
DROP	0	2	0	1	0		3
NATURAL SCIENCES AND MATHEMATICS							
ADD	3	15	2	0	0	20	
DROP	0	4	1	0	0		5
SOCIAL STUDIES [2]							
ADD	4	36	7	0	0	47	
DROP	0	1	0	0	0		1
HUMANITIES [3]							
ADD	6	45	10	2	1	64	
DROP	0	6	1	0	0		7
INTERDISCIPLINARY							
ADD	0	1	1	0	0	2	
DROP	0	0	0	0	0		0
TOTALS							
ADD	41	222	70	9	5	347	
DROP	0	13	2	1	0		16

[1] Architecture & Environmental Design, Business & Management, Computers & Info. Science, Education, Engineering, Health Professions, Law, Public Affairs, Technologies.

[2] Social Sciences, Area Studies, Psychology.

[3] Communications, Foreign Languages, Fine & Applied Arts, Letters, Theology.

Taken from the Master Plans of 85 institutions.

Appendix J

In Position Paper No. 13 issued January 1972, the Regents recommended an increased schedule of scholar incentive payments for students attending eligible private institutions. The schedule for eligible undergraduate and graduate students would be phased in over two years, providing aid up to $1200 per year in the first year and up to $1500 in the second and succeeding years.

To illustrate the family income levels and proposed scholar incentive awards, the following table is reproduced from Position Paper No. 13 (page 30).

	Scholar Incentive Basic Award **	
Net Taxable Income*	Phase I	Phase II
0-$ 3,000	$1,200	$1,500
$ 3,001- 5,000	1,000	1,300
5,001- 7,000	800	1,100
7,001- 9,000***	600	900
9,001- 11,000	400	700
11,001- 13,000	200	500
13,001- 15,000	100	300
15,001- 20,000	100	100
20,001-and over	0	0

* Illustrative for two-child family only, based on 1971 tax table.

** Award for first two years. Students in junior year will receive awards scaled to 80 percent of the basic award, and those in senior year scaled to 60 percent of the basic award.

*** Full-time undergraduate students from families with net taxable income of $9,000 or less, attending public institutions, will receive scholar incentive awards for the full amount of tuition.

List A

THE INDEPENDENT COLLEGES AND UNIVERSITIES
IN THE STATE OF NEW YORK

UNIVERSITIES (11)

Multiversities
- Columbia University
- Cornell University
- New York University
- Syracuse University
- University of Rochester

Universities
- Adelphi University
- Fordham University
- Hofstra University
- Long Island University
  - Brooklyn Center
  - Brooklyn College of Pharmacy
  - C.W. Post
  - Southampton
- St. John's University
- Yeshiva University

COLLEGES (61)

College Complexes
- Alfred University
- Barnard College
- Canisius College
- Colgate University
- D'Youville College
- Elmira College
- Hamilton College
- Hartwick College
- Hobart and William Smith Colleges
- Iona College
- Ithaca College
- LeMoyne College
- Manhattan College
- Manhattanville College
- New School for Social Research
- Niagara University
- Pace College
- Russell Sage College
- St. Bonaventure University
- St. Lawrence University
- Sara Lawrence College
- Skidmore College
- Union College
- Vassar College
- Wagner College
- Wells College

Colleges
- Bard College
- Briarcliff College
- College of Mount St. Vincent
- College of New Rochelle
- College of St. Rose
- College of White Plains
- Dominican College of Blauvelt
- Dowling College
- Eisenhower College
- Finch College
- Friends World College
- Houghton College
- Institute for Advanced Studies
- Keuka College
- King's College
- Kirkland College
- Ladycliff College
- Marist College
- Marymount College
- Marymount Manhattan College
- Medaille College
- Mercy College
- Molloy College
- Mount St. Mary College
- Nazareth College
- Robert Wesleyan College
- Rosary Hill College
- St. Francis College

Colleges (continued)

- St. John Fisher College
- St. Joseph's College
- St. Thomas Aquinas College
- Siena College
- Touro College
- Utica College
- Wadhams Hall

ENGINEERING AND TECHNICAL SCHOOLS (8)

- Clarkson College of Technology
- Cooper Union
- New York Institute of Technology
- Polytechnic Institute of Brooklyn
- Pratt Institute
- Rensselaer Polytechnic Institute
- Rochester Institute of Technology
- Webb Institute of Naval Architecture

SPECIALIZED COLLEGES (10)

- Albany Law School
- Bank Street College
- Brooklyn Law School
- College of Insurance
- Julliard School
- Manhattan School of Music
- Mannes College of Music
- Mills College of Education
- New York Law School
- Teachers College, Columbia University

HEALTH CENTERS (7)

- Albany College of Pharmacy
- Albany Medical College
- College of Pharmaceutical Science, Columbia University
- M.J. Lewi College of Podiatry
- Mt. Sinai School of Medicine
- New York Medical College
- Rockefeller University

SEMINARIES AND RELIGIOUS TRAINING COLLEGES (22)

- Capuchin Theological Seminary
- Cathedral College of the Immaculate Conception
- Colgate Rochester-Bexley Hall-Crozer Divinity School
- General Theological Seminary
- Hebrew Union College
- Holy Trinity Orthodox Seminary
- Immaculate Conception Seminary
- Jewish Theological Seminary of America
- Maryknoll Seminary
- Rogers College
- Mount St. Alphonsus Seminary
- New York Theological Seminary
- Nyack Missionary College
- Passionist Monastic Seminary
- Rabbi Isaac Elchanon
- St. Anthony-on-Hudson
- St. Bernard's Seminary
- St. John Vianney Seminary
- St. Joseph's Seminary and College
- St. Vladimir's Orthodox Seminary
- Union Theological Seminary
- Woodstock

TWO-YEAR COLLEGES (15)

General Programs (Liberal Arts/Teacher Education)	Specialized
Bennett College	Academy of Aeronautics
Cazenovia College	College for Human Services
Concordia College	LaSalette Seminary
Elizabeth Seton College	Paul Smith's College of Arts and Sciences
Harriman College	
Hilbert College	
Maria College of Albany	
Maria Regina College	
Mater Dei College	
Trocaire College	
Villa Maria College of Buffalo	

Age and Tenure of Chief Executive Officers

Of the 80 private universities, colleges, and engineering and technical institutions in New York State, 75 of the chief executive officers are in office for an average of 5.3 years. They have held that post for a period ranging from a few months to 35 years; 17 of them are in office less than two years. Their predecessors held the post for an average of 7.5 years.

The ten university chief executive officers are in office an average of 4.7 years; three of them are in their first year. Interestingly, their predecessors served for only an average of 4.8 years.

The 75 officers range in age from 34 to 63, with a median age of 52.8 years.